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ESTABLISHING A EUROPEAN Foothold for Design, Inc.

Master's Thesis

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Abstract

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VIHERVUORI-AKKANEN, MARI Establishing a European Foothold for Devign, Inc.

Master's Thesis 83 pages + 5 pages appendices

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Commissioned by Devign, Inc.

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The objective of the study was to provide Devign, Inc., a corporate identity development company, the means to make an informed decision regarding extending the reach of its verbal branding services to Europe via Finland. The aim of this research was to analyze why and how a professional services firm becomes global.

The empirical research was carried out using the action research approach; the nature and goals of the project were particularly suitable for this methodology. The study focused on Finnish-based marketing, advertising and branding agencies.

We were initially confronted with the novelty of branding in Finland. It quickly became clear that a growing number of general marketing and advertising agencies also present themselves as brand identity companies. However, whether or not these firms can actually deliver on the branding component is not readily determinable. Our research concluded that there is not a commonly held view by agencies of what branding actually is, and few differentiate between branding, marketing and advertising. What was apparent is that there are relatively few firms who market themselves as branding and brand strategy service providers. The research also confirmed that there is a need for native speaker language evaluation in marketing communication materials and other extensive writing, such as web copy. In addition, given the seemingly increasing tendency by Finnish companies to use more English in their "short" branding components, like names and taglines, they will face the same uphill battle that native English-speakers face: how to find something that is available from trademark and domain name perspectives.

The study and legwork laid the foundation for future alliance opportunities and prove that a professional service firm's entry to international European markets is viable with reasonable costs.

ESTABLISHING A EUROPEAN FOOTHOLD FOR DEVIGN, INC.

ABSTRACT

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1 INTRODUCTION

The results of this study will provide Devign, Inc., a corporate identity company, the means to make an informed decision regarding extending the reach of its verbal branding services to Europe via Finland. The market entry feasibility will be evaluated by researching the competitive landscape to determine potential partnering opportunities and the overall business climate (demand, barriers to entry, etc.) To that end, the strategy to find the most promising alliances will be prioritized. The Finnish-based marketing and branding agencies will be reviewed first, and then, as necessary, expand to non-Finnish, European-based branding services.

2 COMPANY BACKGROUND

Devign Inc. is a privately-held, minority-owned/woman-owned American agency located in Atlanta, Georgia. Established in 2002, it is a branding consultancy, which helps clients use language to their competitive advantage. The company carves out sustainable positioning statements, value propositions and long-term messaging opportunities, whether it is with one word (a name), a paragraph (elevator stories, marketing messages, etc.), something in between (social media) or of greater length (web and print collateral copy). The principal is Ms. Karen North.

The firm has three U.S. Federal trademarks. Per Devign's filings with the USPTO (United States Patent and Trademark Office), its description of goods and services is: *Business marketing and communication consulting services, namely creating corporate and brand identities, developing brand strategy and positioning, company, product and service names, nomenclatures, taglines and slogans; developing and evaluating intellectual property, namely trademarks, service marks, certification marks and trade names for others.*

Devign's alliances are with like-minded professionals in corporate strategy, trademark law, cultural/linguistic evaluations, market research, advertising,

PR, visual identity & environmental branding, packaging & web design, sales effectiveness, social media branding, etc.

3 METHODOLOGY

The study will be conducted as action research. Action research is a process that changes something or causes a change to something and then observes the outcome or effects through a systematic and recurring process of examining and analyzing the evidence. The results of action research are practical and relevant. This investigative style differs from other type of research in that that there is less overall concern for a universality of findings. Rather, more value is placed on the *relevance* of the findings, both to the researcher and company. It can prove to be an effective strategy for improving an organization's work style and productivity. (Riel 2007).

The methodology itself is ongoing and cyclical: First one defines and re-searches the objective, after which practical attempts to reach the targets are tested. Based upon those findings, the first cycles are re-evaluated and the objectives are finessed, reshaped and/or sharpened. It is important to note that in the research phase, the planning, action and evaluation/reflection stages reverse themselves. (Kemmis & al. 1981; Suojanen 1999; Kuula 2001).

Action research is the combination of research and management consultancy that involves intervention into process of decision making, implementation and change. According to Gummesson (2000), action research or action study is particularly exciting method that can be adopted when a researcher takes a role of active consultant and influence the process. Gummesson (ibid.) states that action research is a way of learning about a social system and simultaneously trying to change it, taking the standpoint of management and the successful operation of a business. Action research requires an assignment concerning processes of change. The great advantage of action research is that it provides the researcher with substantially improved access..

My aim in conducting action research for Devign is to provide the business with sufficient and relevant knowledge to launch its niche services in Finland

with reasonable costs and minimal delay. To that end, and in keeping in line with the parameters of this methodology, I will systematically analyze individuals and groups; and observe what things change and evolve as the body of results becomes more involved.

3.1 Research Questions

The two most important questions to be answered in this research are:

1. Why are we internationalizing?
2. How do we establish a European foothold for Devign, Inc.?

3.1.1 Why internationalize?

One reason for internationalization is the need to re-engage with the world beyond the often very negative U.S. corporate business climate. According to Ms. North, non-U.S. companies value multicultural strengths and professional development much more than U.S. companies.

Another reason for internationalization is that occasional and out-of-the-blue inquiries from The Netherlands, the UK and India via Devign's multilingual site demonstrate that there is interest and demand beyond U.S. borders, particularly for those that are culturally sensitive and multicultural at heart. In addition, it is a fact that more and more Spanish/English, bilingual-friendly naming solutions will be sought in all parts of the world. To combine the multilingual skills of Ms. North and myself extends our competitive differentiation even further. Having realized eight years ago that Ms. North's multilingual-ness would be a competitive differentiator, Devign's online presence has long since "talked its walk" by incorporating Spanish and German versions of the English site on all pages except the case studies and articles.

With respect to naming alone, the trend for many outside of the U.S. is to use English in the name or domain name, despite their native language not being English. This is done because English still has business cache and because of the universality of the language. Hence, the entire non-English-speaking

world has massively contributed to the dearth of available English-language virtual real estate, and this is nowhere more evident than those trying to secure a domain name that has relevance and meaning.

The European market is also fast approaching this saturation, whereby those with products and services to be named must be ever more creative, strategic and/or open-minded, either on their own or by hiring competent and proven professionals like Devign. The need for a name will never go away. The way to get one that is meaningful, useful and does not infringe on others' rightful intellectual property is becoming harder, more time-consuming and thus, more costly.

3.2 Research Cycles

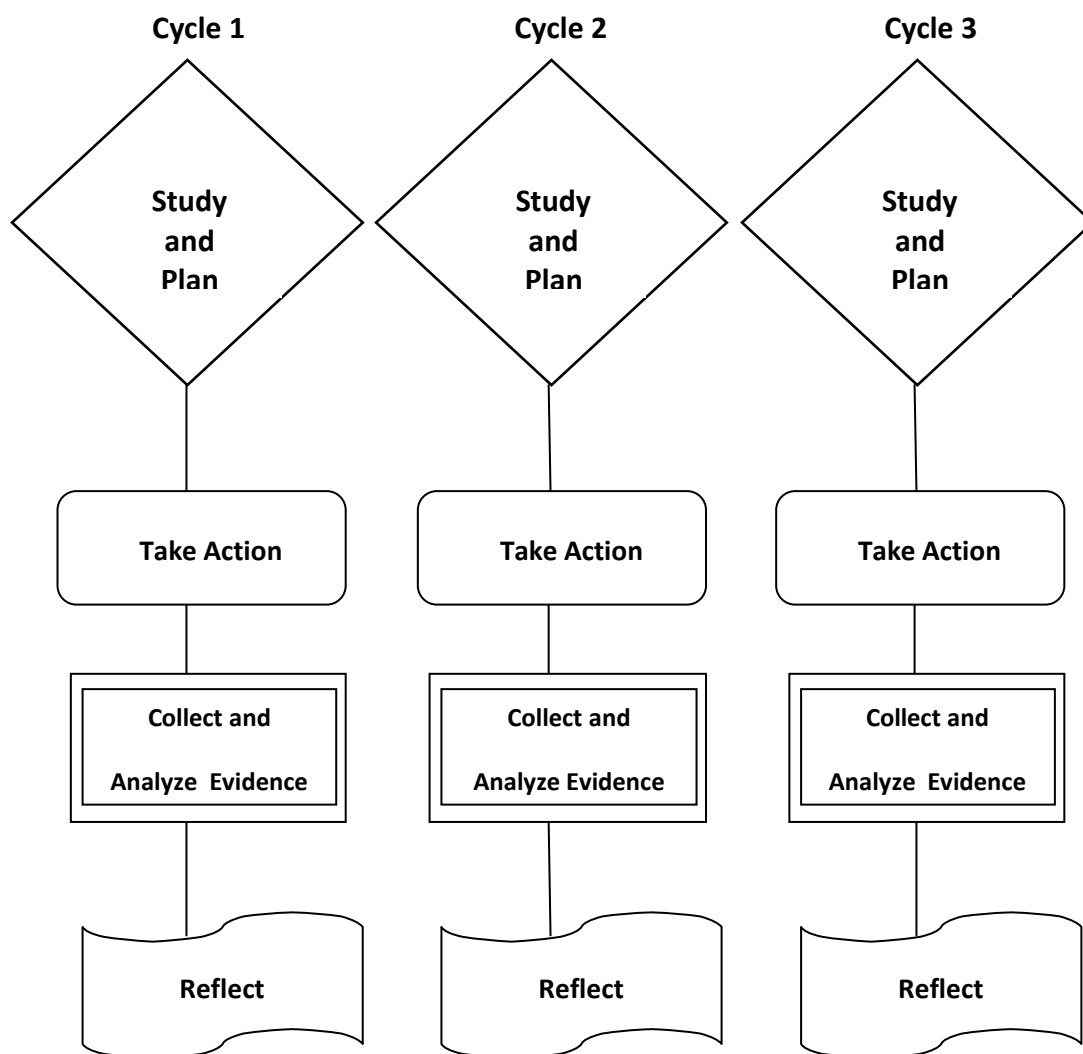


Figure 1 Cycles of Research

Action Research is the systematic, reflective study of one's actions and the effects of these actions in a business environment. It involves deep inquiry into one's professional action. The researcher examines her/his work and look for opportunities to improve. She/he seeks evidence from multiple sources to analyze reactions to the action taken. The researcher recognizes her/his own view as subjective and seeks to develop their understanding of the events from multiple perspectives.

Action Research is a way of learning from and through one's actions by working through a set of reflective stages that helps a person or business develop a form of "adaptive" expertise. Over time, action researcher develops a deep understanding of how forces interact to create series of complex patterns. Since the forces are always changing, action research is a process of living one's theory into practice. This form of research then is an interactive, cyclical process of reflecting on practice, taking an action, reflecting, and taking further action. Therefore, the research takes shape as it is being shown in the figure 1, better understanding from each cycle points the way to improved actions. (Center for Collaborative Research, 2009).

4 FIRST CYCLE: GO OR NO GO DETERMINATION

4.1 Study and Plan

In the ever-deepening integration of Europe and the globalization of the markets is it essential for a company to have a service or product to suit the target market. A competitive service alone is not yet enough to guarantee for success. With the help of the *Globaali* program created by the Ministry of Trade and Industry, cooperating with the Business Department of the Employment and Economic Development Centres Karen North from Devign, Inc. and myself will first analyze and study the following:

- Company history and key personnel
- Mission, vision and values
- Devign's services and products, service and product lines and ranges

- Current, past and prospective clients, according to a needs segmentation.
- Competitive differentiators and strengths and weaknesses with regard to internationalization
- U.S. and foreign eminence/prominence and image.
- Operations and sales distribution channels
- Pricing policies, fees and terms
- Product development and idea and innovation sourcing
- Resources of the company regarding production, investments, administration, marketing, physical assets (facilities, machinery, devices and IT equipment and software), logistics, quality control, customer service (including on-time and on-budget deliverables were screened, as well as success factors and goals in the US domestic market.

4.1.1 Company History and Key Personnel

Devign consists of the founding owner and principal of the company, Karen North, and myself as Business Development Manager for Europe. We both have international study and work experience and are culturally sensitive, multilingual and extremely customer-service oriented.

Karen North, Verbal Brand Strategist & Multilingual Namer

Karen North has the following degrees:

- Master of Business Administration, 1990 — Cornell University. Ithaca, New York.
- Master of Arts, Spanish Literature, 1992 — University of Georgia. Athens, Georgia.
- Bachelor of Arts, Spanish Literature, 1986 — University of Georgia. Athens, Georgia.

Before establishing Devign, Karen worked in various brand strategy and naming positions in San Francisco & San José, California and Seattle, Washington (1998-2002). Prior to focusing exclusively on brand strategy, she served as Marketing Manager for Sagem Morpho, Inc. (Tacoma, Washington), where she managed an 8-member marketing team for the leading biometric integrator of commercial, law enforcement and civil AFIS (Automated Fingerprint Identification Systems) software applications. Earlier, she worked as Director

for New Business Development at COPCA (Consortium for the Commercial Promotion of Catalonia, Spain) between 1992-1996, which followed a year assignment as Marketing Consultant. There, her responsibilities included marketing and promoting Catalan products and services throughout the U.S from the Los Angeles, California office. Before that, she held positions in Sales Administration at Whirlpool Overseas Corporation, as Assistant Merchandising Manager at Whirlpool Appliance Group (Benton Harbor, Michigan), Corporate Finance Associate at Petrofina Delaware, Inc. (Dallas, Texas) and U.S. State Department Intern. at the U.S. Embassy in Ottawa, Canada.

Mari Vihervuori-Akkanen, Business Development Manager / Europe

I have the following degrees:

- Bachelor of Business Administration, 1999 — Kymenlaakso Polytechnic, Kouvola, Finland.
- Vordiplom in Business Studies, 1989 — J.W:Goethe University, Frankfurt/Main, Germany.

I am currently working as a trainer teaching secretaries who are studying for a professional degree at Kouvola's Further Education Centre, where I instruct oral and written business communication, customer service, team work, business English and meeting arrangements, etc. From 2000 to 2007, I was Executive Assistant and Marketing and Sales Department Secretary for Stora Enso's Ingerois Mill. From 1992 to 1999, I had ever-increasing responsibilities as Event Coordinator at the Marina Congress Center and Hotel Grand Marina. While studying in Germany and two years after my studies, I was Export Secretary at the subsidiaries for Finlayson GmbH and Lapponia Jewelry GmbH.

4.1.2 Devign's Offering

Devign's services encompass corporate identity and business communication development. The firm's speciality, verbal branding and brand strategy, incorporates the creation of positioning statements, personality expressions, names, nomenclatures, taglines/slogans, brand architectures, elevator pitches, poetic web navigation, marketing messages, copywriting, brand audits etc.

Strengthening these niche offerings are trademark and domain name searching, cultural/linguistic evaluation services and a range of bilingual branding services.

In summary, Devign creates unique identities for its clients using language as the primary medium. The premise behind this promise, often words (what you say or write) are overlooked or discounted at the expense of fancy graphs or animation. More to the point, names can even be so blasé that no amount of logo or Flash treatment or otherwise visual identity magic will make the boring name stick, much less prove convincing or useful.

4.1.3 Devign's Top-Level Goal and Challenges

The global financial crisis and recession will continue to hinder growth and put pressure on those prospects that still have any budget left. Also, the lack of access to funding may mean that fewer new products are generated, meaning there is less need for any branding at all, much less downstream marketing. However, over the long haul, there will always be a need for naming and branding; until we collectively stop creating, we will always need a name for things. Ms North expects that the need for the bilingual, specifically Spanish/English, names will grow. Devign's goal is to be a truly international niche player in the branding world. Devign seeks to be known as the go-to source for naming and expert opinions on naming and brand identity creation.

Added to the everpresent requirement of names is the constant need to find new clients. If Devign were to remain a naming and tagline only service provider, a niche within verbal branding, which is itself a specialty within branding, it must continually source new projects. If it can secure a client with larger overall branding needs, there is a stream of work and, consequently, the reward of seeing how the individual brand components work in concert with one another and help to bring the brand around to a tangible presence.

4.1.4 Existing Clients and/or Customer Segments

Clients are and have been from all industries and of all sizes and represent a range of markets, from financial services to soft drinks to online gaming. While most represent a B2B play, Devign is not without B2C clients. Regardless of the direct client, end customers could be anyone.

Clients who come to Devign have a time-sensitive need to carve out a relevance and meaning in the marketplace that singularly defines their products/services and how they will deliver on them. Devign competitively positions them so that they will never sound like the company down the street, even though they may be selling the same widgets. In the special case of naming or taglines, clients benefit from having a strong, trademarkable word or phrase, which can become, over time, a valuable asset on the balance sheet.

The most common sales channel in Devign's home market is direct sales. There is, of course, word-of-mouth, but it is usually up to Ms. North to close the deal.

Agencies have also contracted Devign on a project basis. It is high-risk, particularly with respect to naming, which is a veritable specialty. The process alone creates enormous potential for intellectual property, which exposes Devign to having individuals call on its naming services once and a) then "bank" or save the rest of the names on the lists presented for use at a later date (either within that same company or once they move on to another company) and/or b) go behind Devign's back after the initial expiration of the domain names "held" has expired and register a domain that Devign can no longer afford to maintain. Adding to this "give-away" of intellectual property is the fact that with such a rich list of short-listed names, the company never needs Devign again. Provisions are made within every Devign proposal to keep this "name poaching" from taking place, but because one who has registered a domain name can disguise or hide his identity, it is very difficult if not impossible to follow this trail.

The client experiences tremendous process and outcome shortcomings when Devign does not have direct access to the client (a typical tactic by other agencies, of all ilks, is to deny a straight communication line between Devign and the client, even to the extent that the client is never divulged!). What happens is that they are delivered a list of names and the agencies never allow Mrs North to contact their client, so they could use the delivered names, take over the ownership of domain names and sell them for far greater price. One sales channel is the branding and marketing consultants (mostly individuals) who have complementary businesses (graphic designers, mainly) will either bring Devign on for a project where Devign partners with them.

4.1.5 Competitive Differentiators and Value Proposition

Devign's essential strength is creating a differentiated and relevant message and voice for its clients. Often, the power of language is overlooked, hurting an otherwise stellar product or service, or making the marketing so much more costly and difficult, since the comparative benefits are not readily apparent as such, even when called to ones' attention at all. That is primarily due to the client focusing on cost-of-entry or advantageous benefits (or even features) versus the true points of differentiation that no one else owns. The most obvious tangible value Devign delivers is a name when a client desperately needs one. They are often up against the clock, often with coders waiting expressly for the name to slot in.

The name is often (but not always) the crown jewel in a branding portfolio. Yet often times, the client arrives with none of the upfront branding work defined. In order to name well, efficiently and in the most profitable manner, one needs to possess certain branding components that more broadly capture its essence, namely the mission, vision and values of a company (which are essential to any company, with or with a real brand or branding knowledge) the brand's positioning and, where applicable, relationship to other branded components (products, services, business units, etc.) of the company, brand personality and elevator story, to begin with. The main challenge for any namer is when none of this exists. In the normal course of developing an identity, that

work is completed (redefined or produced for the first time) and serves to driving the naming, which is a critical, if not the most critical brand component.

Known for its richly layered solutions and industry-leading standards, Devign delivers highly creatively services, always with an eye towards brand alignment with the overarching business goals of each client. While that might not sound like a competitive differentiator, it is. After having worked with a number of agencies and through Devign's own competitive research, the Principal knows that many so-called competitors have little to no business strategy, while others cannot see the bigger picture and/ or have a hard time grasping more difficult, often technology-centric, concepts on which they must deliver. Or they are not capable of processing overly complex brand architecture issues. Furthermore, it has been a common finding that graphic design and web design companies are just that. They may be great designers, but they are effectively brand-incompetent. This is all the more obvious when one does little more than touch on the subject of branding with them, peruse their website or review a proposal. Unfortunately, the brand-unsavvy do not figure this out in time.

Another Devign differentiator with respect to the majority of its naming competitors is that they have not branded themselves, let alone named their services. Of course, a person can be a brand, but the Principal's ongoing research mostly finds that individual namers do not talk their walk, particularly if they have attempted to position themselves as namers. Worse, many who purport to be expert namers cannot even come up with a truly differentiated name for their business. In fact, many include the word "naming" or some variant in their names.

On a more global scale, the majority of namers are just that, at best; the majority is copywriters, who are not brand knowledgeable. They are creative, but they are not strategically so. They often do not have a website or theirs is low-end, cheesy or poorly positioned. Nor do they have any ideas about intellectual property and have not spent the time and money to protect a brand as has Devign. Most only create lists of names, quality over quantity, that they

dump over to other agencies. They can earn a good living at this, for sure, and many agencies use them just in case they get stuck and need “filler” candidates. “Namers,” therefore, to most agencies, are commodities and not looked up by many. Of course, I do know of a few who got in with the right agencies at the right time and have made a good living creating lists. The agencies, interesting enough, go back to them over and over, yet will not try and one new, which defeats the purpose of seeking creativity. For optimal creativity, one should rotate their sources. Occasionally, a freelance namer will have a brilliant solution, a diamond, in the rough of a slew of unviable names. Such namers have steady work, but literally give away all their creativity. Those who engage in this approach to naming often do not know how to do more than create lists. They do not know how to project or client manage or vet names for IP availability and never selling names. However, Devign takes more pride in the entire process, a tangible solution and a happy client.

Sadly, even in Finland, what is often done these days, is to hold contests to find a name for a product or service! There are many reasons why this approach does not work; moreover, it looks and sounds cheap on the part of the contest holder. At best it shows that they are ignorant to branding’s importance and the way a strong brand is created. Those who have held contests will, if pressed, reluctantly tell you that, despite the contest being held in an effort to save money by not paying a professional namer, they often end up paying the trademark attorney more, because they have a weak or unavailable name (and must go back to the drawing board, often under severe deadlines). The contests usually pay very little, and sometimes only in verbal acknowledgement on the respective site. Furthermore, at the heart of the problem is that they give you no clue as to what they are looking for. It is a shot in the dark, as they often only allow you to submit only one name! Devign does not participate in these at all; they are most time wasters than anything else, but that is only so because the Principal knows what is involved and can easily be creative. Yet without knowing what the contest holder is looking for, you have no idea which one name is the best to submit.

4.2 SWOT for Devign

By creating and analyzing the SWOT (Figure 2) external and internal factors can be found out. It is essential to use the SWOT for Devign when planning and evaluating objectives and strategies.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Language, cultural/linguistic and cultural knowledge and facility • Branding experience of Principal • Trademark and domain name knowledge • Leaders' experience in a global business environment and collective marketing and sales backgrounds • Reasonable fees, but not a pure price play • High-end, high-quality service 	<ul style="list-style-type: none"> • Minimal direct customer base in Europe (three clients to date) • Scant European reputation; unknown • No branding experience in the target country • Currently must rely on others to update certain things on devign.com and that provider is expensive and with a out-of-date skill set; while words are easy to come by, putting it all together is not. • Funding difficulties, particularly given the global credit crunch.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Highly transferable skillset • in-depth experience in branding and naming • Multilingual (English, Finnish, Spanish, German, Italian, Swedish & Russian) • Less developed market • Recession: cheaper to build and launch a brand as there is less and less fierce competition • Highly mobile Principal willing to relocate or travel frequently 	<ul style="list-style-type: none"> • Worldwide recession • Strong Euro/Weak Dollar • "Not Invented Here" syndrome (either from a Finnish agency's perspective or that of their clients; may or may not be a factor; may or may not add cache.

Figure 2. SWOT for Devign

4.3 Operations

Devign is a very self-sufficient and leanly run business. The company's key assets are its intellectual capital, which cannot be purchased outright. As a knowledge-based consultancy, the firm's value lies in its personnel and the skills and personal backgrounds that they have cultivated through a natural curiosity and propensity to be a student both for and of life. In addition to human capital, Devign owns and maintains the requisite productivity tools (multiple computers, scanner, fax, printer, cameras and video cameras) and software applications. It primarily relies on itself or itself and a combination of a few paid tech support services for software and hardware help. Devign files and prepares its own taxes using a standard software application, and the annual Secretary of State renewal of incorporation is done online.

Over the years, Devign has invested a great deal of time, money and other resources in marketing its services, and always with an open-minded about different approaches. Updating the website, creating collateral and staying abreast of the latest marketing tools.

4.4 Marketing and Sales Channels

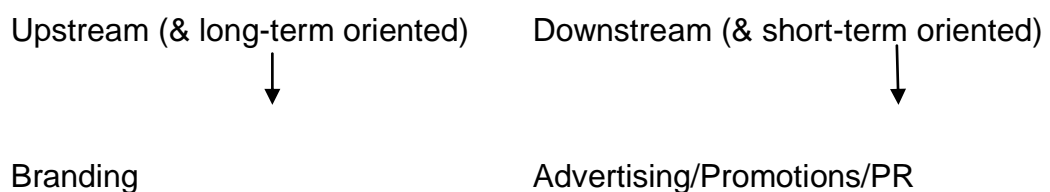
Exception, throughout countless networking events (each costing anywhere for \$25 to \$150 plus some requiring membership dues even to be able to participate), most people she encountered lumped Devign's skill set in with advertisers and other general marketers. At the same time, when she met fellow marketers who really complemented Devign's services, they would always say that they, too, did branding. Meanwhile, they had no clue about the topic. You could and still can go to their websites and see that there is rare mention, if any at all, about branding on these sites.

The reason they lie about branding being part of their portfolio is because branding is upstream. Any new client (due to a spin-off, new company, merger or new product or service) would need a brand in order to do anything else, and they particularly need a name. So, the downstream and/or general mar-

keting players (advertisers, promoters and PR folks) were and continue to be greedy and decided they would say they offered branding, too, so that they could grab the client sooner, at the detriment to the client. Instead of trying to work together and educate a client on how marketing works as a whole (see continuum below), they would sell a service upon which they could not deliver, or better said, could not professionally deliver. Instead of seeing branding companies as their ally, they saw and see us as their competition.

Interestingly enough but very telling is that a true branding professional will tell you that s/he does not do advertising, promotions or PR. In fact, it is the brand folks who are most responsible for educating and creating awareness about marketing dynamics. Branding people play fair and stay within their rightful comfort zone and area of expertise. Bad branding begets even worse advertising and unspeakable promotional pieces. Worse yet, while most branding people are not versed in the least with trademarks or trade dress, advertisers are right alongside them in their ignorance. Unfortunately in harsh economic times, this rampant and blatant misrepresentation only escalates. Ms. North adds that there is no ideal route other than a personal introduction.

Marketing Continuum



Another way to look at this is with branding being centric to a circle of other marketing components in *support* of the brand.

4.5 Product Development and Pricing Policies

Since 2002, Devign has created other services that together have in common a passion for language and exploring different cultures. Espany'all® is the Principal's private tutoring service. (<http://www.espanyall.com>) Carry on Lan-

guageSM is her language and culture podcast series.

(<http://www.carryonlanguage.com>) The later is still in production with the first country/language pair, but it has the potential to scale up to innumerable country/language pairs, given adequate resources. Devign holds a Federal registered service mark for Espany'all and has applied for Federal protection of the Carry on Language mark.

Devign's services are usually flat-fee priced per deliverable, with at times a volume discount. Devign does offer hourly consulting fees for most everything, but the better route for brand element deliverable is a set fee. This is also more favorable for the client. The editing and copywriting is often hourly.

4.6 Legal Issues & Concerns

Devign has numerous trademark infringers, which are monitored constantly. To date, there have been no infringers who have tried to apply for a trademark; the infringers have all been crossing the line in their usage of domain names that have as a key part of their name the name Devign. Since its creation, the company has spent considerable money to defend and protect its mark. Initially, Devign did not go to great lengths to secure a lot of virtual real estate around the devign.com domain, because Devign erroneously believed that fellow marketers (most all trademark infringers are marketing services firms) would respect her intellectual property, particularly since the Principal had Federal trademark protection. The company now believes that the increasing infringement is due to a combination of fewer names being available and a self-centered decision on the part of others to quickly get online. Some may be ignorant to trademark law, but they certainly have searched the Internet to know that devign.com is not available. Whether or not they went to Devign's site to determine if they are selling the same services as Devign is not clear. They could have seen that the goods are similar to the point of being confusing, but they may be blatantly ignoring the fact, hoping only that Devign does not find out or pursue the matter, or they might just be so business unsavvy that they have no idea of their consequences. Regardless, it is humor-

ous to see that they each think they are creative in their field, yet it is not original to copy a name.

4.7 Target market information

4.7.1 Why Finland

Finland was selected as a starting point due to trusted and long-standing personal connections between Karen North and myself. Our immediate focus will be on the Finnish market, with the potential for spillover into Sweden and Estonia. Reasons for choosing Northern Europe as the first target market are to be found in the SWOT table (Figure 2), page 20.

Germany would be a great secondary market, given its economic base and size. However, there are more German companies that a) already have alliances with the large, established US companies, b) are mere European outposts of the same firm with global reach or c) are reputable German companies who wish to remain independent. Karen has done two naming assignments for German companies: one was while working for Landor and another was for Landor Hamburg as Design.

In order to gain knowledge about the Finnish market, our primary focus in this project, we must first analyze the general business climate, namely the economic environment and market conditions. According to Statistics Finland, producer prices for services went up by 2.0% in the first quarter of 2009 from the corresponding 2008 quarter. This rise was particularly caused by price increases of business and other management consulting, architectural and engineering services. Preliminary data from the same source shows that the volume of Finland's GDP grew by only 0.9% in 2008, the slowest growth since the recession of the early 1990s.

The economic downturn can be seen in service industries, especially towards the end of this period when the development in turnover slows down or starts to decline in several activities. In 2008, Finland's GDP was EUR 186 billion.

Service industries generated 1.6% more turnover in the November 2008 to January 2009 period than in the respective 2007-2008 timeframe. However, growth had clearly slowed down from the 7.6% turnover from the previous three-month period ending October 2008. Since then, service industries turnover has dropped even further. Total turnover generated by this sector fell by 8.6% in the September to November 2009 period when compared with the respective three-month 2008 period. During the three-month period ending August 2009, turnover in service industries contracted by 8.4% from the year before. Towards the end of the year 2009, turnover was growing in real estate activities and arts, entertainment and recreation, and other service activities.

According to the Labor Force Survey of Statistics Finland, employed persons in March 2009 totaled 2,448,000, or 28,000 less than March 2008. Yet, while the number of employees decreased, those classifying themselves as self-employed grew for the seventh consecutive month. (Statistics Finland, 2009).

The marketing industry in Finland has suffered severely under the current recession. The managing director of SEK and GREY estimated in Kauppalehti (Bohse 2009) that every second workplace will shut its doors during the recession. Some of traditional marketing has moved to media, design, communication and digital agencies, states Ossi Backman, a former customer account manager at Hasan & Partners. Personnel have and continue to be fired for personal reasons to just plain “for the fun of it,” he continues. He further adds that marketing is still considered an expense, and it is therefore easy to slash or completely wipe out budgets for those efforts. (Harma 2009, 46-51.) On the other hand, there are numerous truths to the fact that in hard times, that is where the marketing is most visible, because most have followed the “expense argument” budget and have decided to shelve all marketing. Along the same lines, as a start-up, if one does not need great amounts of credit, difficult economic times should not keep one from launching his or her business; this is a prime time to create awareness and generate sales. Any products or services one might need to build the business will be cheaper, because those providers are hungry for business.

In November 2008 we discovered the existence of a list of 12 brand strategy firms located in Finland alone. There could have been more, but that was what was included in the database at that time at www.mtl.fi. We set out to competitively analyze each site.

4.7.2 Finnish Business Entities

Business in Finland is conducted through a variety of legal and organizational vehicles, such as the following:

- Private entrepreneur (single proprietor or sole trader);
- A specific organization which may be incorporated (i.e. legal person); or
- A specific organization which may be unincorporated (i.e. an organization, not considered to be a legal person)

With respect to the *incorporated business organization (corporation)*, Finnish law offers several types of legal entities to carry out business. These are divided into two groups — companies (F. *yhtiöt*); and cooperative societies (F. *osuuskunnat*). Because the terminology is not exactly the same in every language, one must define (or choose) it in each document. The terms corporation or incorporated organization will be used heretofore to refer to both companies and cooperative societies. The four types of corporations in Finland, from the most “basic” to the most “complex” are:

- Partnerships (also trading company and general partnerships; F. *avoin yhtiö*)
- Limited Partnerships or Limited Liability Companies (also commandite company; F. *kommandiittiyhtiö*)
- European Economic Interest Groups (EEIG; F. *eurooppalainen taloudellinen etuyhtymä* or in its shortened Finnish form, *etuyhtymä*, with partners from at least two different EU member nations)
- Limited Shares Companies (F. *osakeyhtiö*), which may do business either as:

- a private company limited by shares (F. *yksityinen osakeyhtiö*) or
- a public company limited by shares (F. *julkinen osakeyhtiö*)

While the establishment of a partnership (general or limited) does not require adherence to any specified form, a written agreement should always be in place at the trade registry. For legal purposes, limited liability companies and cooperatives are only established once they have been entered in the trade registry which is maintained by the National Board of Patents and Registration.

For limited shares companies, the trade name must show whether the business is a public or private one. For public limited companies, the Finnish trade name must contain the Finnish words *julkinen osakeyhtiö* (commonly abbreviated as *Oyj*). The trade name of a private limited company must contain either the Finnish word *osakeyhtiö* or *Oy*. (Toiviainen, 2001, 63-64.)

A foreign entrepreneur may also establish a branch in Finland. In certain circumstances, those not resident/domiciled in the EEA will need a permit from the National Board of Patents and Registration (=NBPR).

4.7.3 Trade Names in Finland

A trade name, in its legal sense, is a name used to identify a business activity. (Trade Name Act 1.1. §). In addition to trade names, there are other types of business names to be defined in Finland:

- Auxiliary trade name (F. *aputoiminimi*): a registered firm may carry on part of its business with a name other than the registered, i.e. official, trade name.
- Secondary trade name (F. *toissijainen tunnus*): a registered firm may even use some other symbol in connection with the trade name to identify the business.

- Parallel trade name (*F. rinnaikkaistoiminimi*): this is a translation of the trade name to another language; a firm can have a trade name in several languages.

The sole right to the trade name can be acquired by either registering the company in the trade register or by establishment.

4.8 First cycle reflections

Based on this information gathered at this point, Karen North and myself thought it worthwhile to both continue the research project, as well as start looking for potential avenues to enter the European market via Finland, with the aim being to establish a European presence for Devign in Finland. The decision to proceed with the internalization process was agreed on in fall 2008, around the same time the recession started to creep into the Finnish economy. Nevertheless, given the costs and risks for appropriate market entry feasibility research and competitive intelligence were relatively low, we decided to press on.

One of our first initiatives was to translate the Devign site into Finnish (www.devign.com). The next step was to create a Devign email box for me (mari@devign.com) and update the contact information at devign.com to reflect my participation and, more globally, Devign's broader intentions. The business cards for myself were also acquired.

At this stage, we needed to find answers to the following questions: Which companies should we contact? And with what approach or from what angle? What criteria should we use when choosing possible partners? How should we proceed once we engage them and they express initial interest in a dialogue?

5 SECOND CYCLE: SETTING UP

5.1 Study and Plan

The target market industry outlook is to be studied and analyzed in more depth, with the following of particular interest and concern:

- The competitive landscape. We know the key players in marketing, marketing communications, branding, advertising and possibly public relations agencies of all sizes (small, medium and large); however further investigation needs to be done to compare and contrast, and in particular to determine a) for which firms are Devign's services complementary and for which are they more competitive, or (approaching it from another angle), b) which Devign services are more advantageous to pitch to each type of company. The latter is key, for many branding companies usually do not have in-house naming and thus, more and more need a naming specialist; they know the hard work and unique left brain/right brain thinking that is required and are either not up to task to do it themselves or would rather pay someone else for something they'd rather not do. We knew "naming" might be a unique angle to pitch, one which might be very welcomed, if not super-regularly accessed.
- The overall business climate and prospects for growth.
- SWOT (Strengths, Weaknesses, Opportunities and Treats) analysis.
- Regulatory, licensing and other compliance issues and/or possible barriers to entry.
- Customer acquisition process

5.2 Competitive Analysis

5.2.1 Overview of Verbal Branding and Naming in the European Market

The European market is less developed with regards to verbal branding and naming than the U.S. market. Consequently, there is less professional competition for those services, with the emphasis here being on "professional." We understand that there are 10 naming "companies" throughout Germany, Austria and German-speaking Switzerland. That is not many; nor is it a deterrent to us entering the German market, particularly when you consider that they

are mostly individuals who generally make themselves *sound* like bonafide agencies. One should bear in mind that, while many may market themselves as creative name generators, they usually do not approach naming from a business perspective nor do they speak branding or trademarks. For those who have not had their naming subject to the rigors of availability screening in the U.S., they have not been truly tested. Like many one-off and two-bit namers in the US, they have not even branded or trademarked themselves or their services...they do not “talk their walk.SM” For those reasons alone, they should not command a premium price for their limited and incomplete services, given the scope of what is involved in naming today. If one is lucky, they might develop a usable name, but one will be left to own devices to build it out into a brand.

While European businesses commonly employ an English word or words in their names or taglines, they are often descriptive, and for a native English speaker, rather clumsy.

If the trademark situation in Europe is not as saturated as it is in U.S., there is less pressure to create a unique name, and thus, little emphasis, time or money is allotted to this most important brand element; hence, the project is easier, faster and generally more descriptive, but it comes at a long-term cost. It goes without saying that for those who intend to sell in the U.S., they should keep broader trademark availability in mind when creating their own names and slogans.

The arguments for and against descriptiveness do not fall within the scope of this document. Suffice it to say that it is a very layered and often heated discussion, one in which the pros and cons depend on widely ranging client needs and purposes and specific competitive and legal circumstances and situations. From a U.S. trademark perspective, the more descriptive a name or tagline, the less protection it is afforded; less unique names thus cannot be given Federal or even state protective status that would preclude others from participating in the same or similar line of work under the same or similarly confusing name. There *are* advocates to descriptive naming, as it is easy to

figure out what a product does or service is about. Moreover, this is an unfortunate nod to the phenomena of “dumbing down” things, at least for America by America. No one reads any more, they just scan and skim; life is a steady stream of uncontexted sound bites. Furthermore, few are taught to creatively think or imagine. Dream, yes, but never to actually go out and realize that dream, for that would be too much or too much hard work.

5.3 Direct & Indirect Design Competition

First I had to find out more information about brand strategy companies, Devign’s direct competition. In November 2008, only 12 member companies of Suomen Markkinointiviestinnän Liitto had selected “brand strategy” as their (or one of their) specific core competence (s). Those agencies were:

- AC-Mainos Oy
- Adsek Oy Ab
- Bob Helsinki Oy
- Carat Finland Oy Ab
- Design Reform Oy
- Dynamo Adverting Oy
- Edita Press Oy
- Ezpa ID BBN Oy
- ID BBN Oy
- Mailand Communications Oy
- OSG Mainonta Oy
- Quiet Water Oy

However, by March 2009, the situation had dramatically changed; there were altogether 54 member companies who had selected the “brand strategy” classification. It seems the companies either changed or extended their service offerings almost overnight. Perhaps the list somehow just got more popular and thus populated. It is not clear whether these firms can actually deliver on the branding component. Maybe they, too, like their U.S. counterparts, wizened up to the fact that branding is more upfront and is a way to gain earlier access to marketing clients. In addition, the web design industry is slowly becoming more aware of branding issues and the importance of corporate, product and

service branding. Even though they might not create a brand, they do interpret its strategy! Brand Strategy Agencies Operating in Finland (Markkinointiviestinnän Liitto, 2009) are listed in the section 5.4.

Naturally, there must be more companies that do branding in Finland who are not members of Suomen Markkinointiviestinnän Liitto. Regardless, the unexplained jump left us thinking that many had decided to say they “strayed” over into branding, if only to present themselves as a larger company or broader suite of services (a one-stop shop). We had no other choice but to investigate all 54.

Another fruitful route is to study the indirect competition, i.e. general marketing, advertising, and PR companies, who do not offer verbal branding and naming services. This is the less desirable route, because if the above companies are doing what they say they do, Devign’s services would no longer be needed. In other words, a name, tagline/slogan, the positioning, elevator story and marketing messages would have already been created. Yet, we knew it could give us a foot in the door and build brand awareness, and for those so bold as to label themselves as marketers, advertisers and PR firms and who happened to snag a branding client, we might be top-of-mind when they start to run into problems, or ideally, before that happened. This is a very realistic approach, as Finnish agencies, like those elsewhere, might be more open to having a specialist work on something they don’t want to do and know they cannot do as well as a niche player. That decision usually comes down to a question of leadership, confidence and maturity and respect for the overall service to the client. Those who are upstanding and acknowledge their own weaknesses will make a concerted effort to get the best solution for their clients, even if it means outsourcing to a specialist. They realize that with a better brand, their job is easier and thus more profitable. Unfortunately, they are in the minority. Culturally and logistically, a better entry strategy for Devign would be as a go-to namer and verbal strategist, available on an as-needed basis. Even though this indirect approach introduces with it a number of issues, namely, the amount of access that the Finnish firm might allow Devign to their customers and the protection of Devign’s intellectual property created

in those pursuits, it is a low-risk option. This situation is likely no different from anywhere else.

5.4 Devign's Finnish Competition: Website-by-Website Observations

The first part of our competitive analysis involved thoroughly reviewing the websites of the 54 member companies of Suomen Markkinointiviestinnän Liitto who self-identified as providers of branding and brand strategy services. Some have their sites translated partly or wholly in English, while others have only Finnish sites. Our observations follow in alphabetical order.

Language Abbreviations: F = Finnish; E = English; Swedish = S; German = G & Russian = R

1. AC-Mainos: Finnish-only; three contact persons; 30 years experience in marketing and network.
Conclusion: Unclear prospect.
2. Adsek B9: Two domestic offices and belong to B9 and Salomaa groups.
Conclusion: Clearly self-stated advertising agency with links to many other global advertising partners. Potential to good prospect.
Our approach: 2nd tier (due to affiliation with Grey); stress naming and taglines
3. Avalon: F&E; four domestic offices; advertising and ad campaign driven, marketing themselves under the guise of "marketing communications" (aka "marcom"); do a lot of marketing materials (including online and mobile) but are nonetheless advertising pieces; appear to work with reputable companies; have done some brand strategy with Harvia; clearly focused on marketing collateral and online advertising; 45 employees.
Conclusion: Potentially good prospect, but only if they acknowledge what they truly deliver on (advertising more than anything else), which is not the same as marcom; if they puff up their services to get the more upfront branding work, they will quickly be found out by anyone who's a little brand savvy.
Our approach: 1st tier; stress naming and taglines

4. B9 Group Oy: Site in F, E, S and R. A 9-agency network in four Nordic countries, Russia, three Baltic countries and Poland; advertising group that delivers marketing communications services, including print, design, TV, guerilla, web and event, but emphasis appears to be on print and design; 90 employees.

Conclusion: Good prospect, but only if they realize the difference between advertising and branding.

Our approach: 1st tier; stress naming and taglines

5. Bob Helsinki: Marketing agency that's part of international network of 120 agencies in 70 cities around the world; per their case studies, appear ad-specific, but tech-heavy (as opposed to print-heavy); also a member in a consortium of three Nordic agencies; many reputable Finnish clients; 37 employees.

Conclusion: Potential prospect; could offer naming services, but that is usually done upfront; if it were a strength or even a common deliverable, it would be specifically called out' their focus here is more downstream, in other words, promoting the brand instead of developing it.

Our approach: 1st tier: stress verbal branding, then naming and taglines; ranking due to promise of their global reach, should we get our foot in the door.

6. Brandit Advertising Oy: F & E (stilted); private full service agency; client case studies which they call "show cases" include branding work but appear to do more marcom; not a lot of depth of information and what's there is vague; brand identity can mean a lot of things, from a logo refresh to a full-blown corporate repositioning and launch; 10 employees.

Conclusion: Potentially good prospect for the same reasons (or not) as Bob Helsinki.

Our approach: 1st tier; stress naming and taglines

7. Design Reform Oy: Services are corporate strategy, corporate identity design, industrial design, 3D graphics and multimedia; idea of corporate identity is visual- and graphic-centric (signs, logos, colors and typography); don't talk about words or names; no work presented, other than awards won; site is geared towards someone who doesn't know their business,

and it is highly descriptive with not much branding going from the POV of own firm.

Conclusion: Very good prospect; Devign's services would really complement theirs.

Our approach: 1st tier; stress naming and taglines

8. DesignIlmoValtonen Oy: F, E and Chinese, but only page in English is "English" page; belongs to Finndex Group, which promotes export of Finnish design; "consulting and creating visual identity for companies, associations, happenings, services and products;" self-defined as brand design (strategic design, consulting, training, brand architecture, name design, graphic design, visual brand image, product design, store and retail chain design, exhibition concepts, publications, etc.); cannot determine which, if any, of the names in the case studies they created

Conclusion: To be determined to weak prospect, until we know how versed they are in the services that we provide that they say they do, too.

Our approach: Call first, or we need a different intro for the cover letter, acknowledging we understand they create names but would like to be an additional resource for names and taglines, or an English and Spanish language source.

9. TWBA Helsinki: F only; a leading marketing consulting concern that includes advertising agency, PHS, marketing and communications service agency, NORTH and Internet consulting agency DIEGO; part of global TWBA with headquarters in New York.

Conclusion: Unlikely prospect.

Our approach: 2nd tier; stress naming and taglines

10. Dynamo Advertising Oy: Only one page in E; per the name, advertising focus; 30 employees.

Conclusion: Weak prospect for the same reason as are other pure-play advertising firms.

Our approach: 2nd tier; stress naming and taglines

11. Ezpa: focus is on marketing activities and brand building; aim to be "an international, but inherently Finnish agency specializing in activation and integration;" to them, integration encompasses marketing and sales and ac-

tion related to how to increase sales, buying frequency and total market share.

Conclusion: As good as any advertising prospect.

Our approach: 2nd / 1st tier; stress verbal branding, then naming and taglines

12. Hasan & Partners: F only; marketing communications agency; DVDs can be ordered that show their awarded achievements.

Conclusion: Unclear prospect. *Did not approach.*

13. ID BBN: a global advertising network of 26 independent marketing communications consultancies, working in advertising, branding, interactive and international marketing employing some 1,500.

Conclusion: Good prospect; could benefit from Devign in the field of verbal branding, as their verbal branding is weak overall; however, might see us as competition.

Our approach: 1st tier; stress naming and taglines

14. Mainostoimisto Ilme Oy: F only; a lot of marketing communication for hotel chains, such as Hilton in Finland and Scandic hotel chain, restaurants like Klaus K and GUI at Helsinki Airport; marketing communication strategies to web campaigns, TV ads and package design, which means their focus is downstream from branding.

Conclusion: Good prospect.

15. Imageneering: F only; brand strategy and interest group strategies, marketing communication concepts, company identities and “profiling;” support for internal marketing, sales and brand processes; also marketing and value chain-specific know-how; interesting presentation, albeit very short and vague, despite the descriptive strengths.

Conclusion: To be determined prospect; did not contact.

Our approach: Second tier; stress naming and taglines

16. J-P-Rautamaa: F only; a consulting firm centered on category management, mainly for retail stores; Mr. Rautamaa is Chairman of the Board of B9 Group Oy and MTL Finland.

Conclusion: Good person to introduce ourselves to, but unlikely any direct work; contact B9 instead; did not contact.

Our approach: Second tier; but, he needs a different letter than the others we sent.

17. JWT Helsinki: Info from English site only, which is clunky; part of global advertising agency with some 30 employees in Helsinki; like all advertisers, as opposed to select branders, they usually have no knowledge of intellectual property.

Conclusion: Networking prospect. Would be good to let them know about Devign, but it is a risk, as with most advertisers, to try and persuade them that they and their clients are better off working their own specialty and letting naming professionals do the more IP-specific work; did not contact.

18. KMG Turku: F only; appears to be advertising specific; case studies are just images of things done for clients (mostly print), and you can't read a thing about them; interesting presentation.

Conclusion: Networking prospect, like all advertisers who say they do branding and naming but really can't deliver on it, or deliver on it well, which gives branding (not advertising a bad rap).

Our approach: 2nd tier, given advertising focus: stress naming and taglines

19. Konsepti Group: Mostly in F; extensive site; consists of Konsepti Advertising, ToimintaKonsepti (Helsinki PR agency) and DesignConcept (design agency). This sub-branding/divisional naming is the same thing that Brandit has done; as such, a full-service branding, advertising, design and communications services firm; focus is *planning marketing communications and developing industrial brands* on a worldwide scale; member of agency network, Dialogue International, with member agencies throughout 30 countries.

Conclusion: Good prospect for naming and tagline/slogan writing. A British copywriter, Joel Willans, write slogans for them, but not sure whether he's writing in Finnish, English or both; offer Devign as a second or additional source, especially for non-British English.

Our approach: 1st tier; stress naming and taglines (IP-specific work)

20. Lahtinen & Mantere Saatchi & Saatchi: Link goes to <http://www.lovemarks.fi>, which speaks about moving the ® to their heart within a circle; strange and not professional for those who take IP seriously

but unique, nonetheless: lovemarks are “the future beyond brands;” there’s even a book about “lovemarks.”

Conclusion: Saatchi & Saatchi are advertisers, but it never hurts for them to know of Devign.; did not contact.

Our approach: 3rd tier

21. Laundry and N2: Bilingual F/E. N2 Laundry + N2 Design + N2 Internet.

Appear to be almost full-service agency (advertising, Internet and design) but may not have naming and verbal branding down. Appear to have re-named themselves “N2;” WordPress blog, and they sporadically twitter; as such, appear to be the most social media savvy of the agencies we reviewed; look to be a fun bunch!

Conclusion: Naming and tagline prospect; would really like to work with them.

Our approach: 1st tier; stress naming and taglines

22. Mailand Communications Oy: F, E and partially (dated) in G; “an experienced brand and communications agency (unclear about affinity for Italy,

and Milan in particular; we later find this to not be the case when we inquire about the name origin: my land, i.e. my territory, expertise or domain); help clients “run effective processes to activate brand messages, create corporate identities, as well as increase awareness and corporate reputation;” stated services: media relations, branded content, marketing communications and case stories. The Association of Finnish Advertisers awarded one of their clients, Tikkurila, brand builder of the year in Finland. Conclusion: Direct competition for brand writing, but good naming and tagline prospect. No case studies or clients to see, but they have a few insights and views on communication; a promising fit.

Our approach: 1st tier; stress naming and taglines and Devign as an additional resource for writing in English.

23. Mainoskenttä Oy: F only; advertising-specific; the group consists of five

companies: Mainoskenttä, Mainoscraft and Divico (all three are ad agencies); G&P-viestintä (PR and communications division) and NettiAsema4 (digital media solutions). Interestingly, the same naming strategy as Brandit, who name their divisions differently from one another; a recent survey ranks them as Finland’s second best “value for the money” agency and

within the top ten with regards to strategic planning; part of brandnordic.com

Conclusion: Good verbal branding and naming prospect; did not contact, as are in Tampere, but should definitely do so for next trip over.

Our approach: 1st tier; stress naming and taglines (IP-heavy work)

24. Mainossanoma: F only; advertising, marketing and marketing communication agency focused on marketing communications. No alliances or networks to see and the language of the pages is only Finnish.

Conclusion: To be determined prospect

25. Mainostoimisto Albert Hall: Their “own” production: communities and companies visual identity planning, graphical design, printing works, brand design, design management, ad and marketing planning, company management consulting, photographing, videos and web and dvd. Through their network: communication strategies and communication design, consulting and research services, architecture and interior design and industrial design projects.

Conclusion: Good naming and tagline prospect.

Our approach: 1st tier; stress naming and taglines (IP stuff)

26. Mainostoimisto Fiander: advertising agency focused on marketing communications. Conclusion: To be determined prospect.

Our approach: 2nd tier: stress verbal branding, then naming and taglines.

27. Mainostoimisto PHS: F; part of TBWA group (for more, refer to point 9)

Conclusion: Unclear prospect.

Our approach: 2nd tier; stress naming and taglines

28. Mainostoimisto Polttopiste: F and E; interesting presentation divided between “Miehet” (boys) and “Naiset” (girls), but information is the same underneath each. The boys’ version is blue and the girls’ is hot pink; clearly stated advertising agency.

Conclusion: Mid to long shot prospect.

Our approach: 1st / 2nd tier; stress verbal branding, then naming and taglines

29. Marketing Clinic: “a strategic marketing management firm with a focus on improving their clients’ return on marketing investment (marketing ROI).

Specializes in measuring and improving marketing productivity and devel-

oping strategies for driving top-line growth through marketing. 20 employees.

While they do “brand positioning optimization” (under Service, Marketing Strategy and Growth), they are on the business end of branding and less the branding side of branding, so there could be some synergies here; interestingly, there’s no case study wherein they highlight any brand optimization that they did with a client; a newsletter and offer seminars for what appears to be retainer clients.

Conclusion: Good prospect, particularly naming.

Our approach: 1st tier; stress verbal branding, then naming and taglines

30. Mc Cann WorldGroup Helsinki: (formerly McCann Erickson, among other names after successive mergers); primarily advertising; they may have re-branded themselves as marketing media and strategy agency; interesting home page: filled with animated buttons of the people who work there and their contact information and specialty or title, along with buttons for the company’s services, clients and industries; if they are brand specific, we need to see who their global partner is for branding, since they would likely send all the branding clients to them to keep the project in-house.

Conclusion: Long shot prospect, given their partnership with Future Brand, a well known global agency; did not contact.

Our approach: 2nd tier; stress naming and taglines

31. Mediacom: F only; part of MediaCom Worldwide (110 offices in 90 countries); ranked as one of world’s largest strategic planning and buying agency networks; “provide best-in-class business-building communications solutions for some of the biggest, most well-known advertisers on the planet; “help clients better understand and move their brands closer to consumers, and thus achieve a better return on their marketing investment than the competition” in plain speak, are advertisers and media buying people and love press releases; because ad folks think they do branding, they are unlikely to be willing to collaborate with Devign. They will do it in-house, even if they know they don’t have the skill set and can’t do the best in that realm for them and will struggle to come up with anything presentable.

Conclusion: Long shot to networking prospect.

Our approach: Second Tier; stress verbal branding, then naming and taglines

32. Mediaedge:cia: Per their site, a “media agency;” a euphemism for what was once an advertising agency; nevertheless, it is accurate in the sense that they do advertising across any media; the term “agency of record” is used for advertising/media folks.

Conclusion: Long shot to networking prospect.

Our approach: 3rd tier; stress naming and taglines

33. Netprofile: F & E; PR firm for technology clients; impressive client list: works with both large multinational technology corporations and Finnish high-growth technology and software ventures; many of Devign projects have been with technology clients, so we have that in common; given that branding technology is generally harder than branding a retail consumer item, most technology vendors appreciate others who can work at this level. 11 employees.

Conclusion: Good “chance” prospect, as they work with companies in all stages and will likely know when and if there is a branding, particularly a naming need; definitely get on their calendar for next trip.

Our approach: 2nd tier; stress naming and taglines

34. North: F only; belongs to TBWA group (for more, see point 9).

Conclusion: Likely only a networking prospect.

Our approach: 2nd tier; stress naming and taglines

35. OMD: F only; OMD = Omnicom Media Group; per their site, “OMD Worldwide is the largest, most consistent and innovative media communications agency network in the world (TBWA is even a part of this conglomerate); at the everyday micro level, a sub-company like OMD Finland may not have immediate access to a verbal branding or naming company; if not required to stay in-house and/ or if they can justify going outside the group, this is when having started a dialogue or built some rapport with someone there can help; they might remember Devign at a crucial client moment.

Conclusion: Remote prospect; must find the right person; networking likelihood.

Our approach: 2nd tier; stress verbal branding, then naming and taglines.

36. OSG Digital Oy: F, S and E; per site, “an integrated marketing communication company”, but per tan award (under Current Topics), an advertising agency.

Conclusion: Potential prospect, although they will think not if they’re of the typical advertising mindset.

Our approach: 2nd / 1st tier; stress verbal branding, then naming and taglines.

OSG Mainonta Oy: same website as parent site; part of OjalaSaari Group.

Conclusion: Potential prospect, per entry #36

Omnicon Media Group

Conclusion: Possible networking partner

37. PHD: E only; “world’s first strategic planning focused agency...which applies the strong brand planning and account planning rigor of creative agencies to media;” part of OMD; generally unimpressive site.

Conclusion: Multilingual naming and tagline prospect. Karen to contact US CEO.

Our approach: 1st / 2nd tier; stress verbal branding, then naming and taglines.

38. Pinta: F only; marketing-driven; looks like they do strategy, graphic design and ad campaigns, marketing communications, exhibitions and events.

Conclusion: To be determined prospect. Likely good one, as it appears their focus is more global marketing and not specifically or very brand-oriented.

Our approach: 1st tier; stress verbal branding, then naming and taglines.

39. Pramedia: graphic design company: digital solutions, publications and program development are core competencies.

Conclusion: Potential prospect.

Our approach: 2nd tier; 1st tier digital; stress verbal branding, including website writing and poetic navigation (then naming and taglines).

40. Promice Communication Oy. Site is not live; at one point it forwarded to recommended.fi.

Conclusion: See entry #44, Recommended Finland Oy.

41. Publicis Helsinki; E site is sluggish; an advertising cum marcom agency that appears to have been renamed Skandaali (see entry #48, once the

numbering is redone); their parent company, Publicis, is French; a large, global company with a very unimpressive, dull and self-centered site, both visually and verbally.

Conclusion: Long shot naming prospect, given their advertising bent.

Our approach: see Skandaali.

42. Recommended Finland Oy; E only; a Nordic group of independent marcom agencies operating in Denmark, Sweden, Norway and Finland; acknowledge their own great name; may not be interested in us naming for their clients (thinking they can do it themselves).

Conclusion: Potentially good naming and nomenclature prospect.

Our approach: 1st tier; stress naming and nomenclatures, then taglines; broaden this to verbal branding.

43. Red Tail Media; F and E; basically a blog, which is current in Finnish but not in English.

Conclusion: Networking prospect: otherwise inconclusive.

Our approach: 2nd / 3rd tier; stress verbal branding, then naming and taglines.

44. Sek & Grey; F only; advertising emphasis; affiliated with Grey Global, a huge ad agency.

Conclusion: Naming and tagline prospect; could be excellent partner for IP-heavy naming and tagline strategy and creation.

Our approach: 2nd tier; stress naming and taglines.

45. Signaalitoimisto Printos Oy; F only; Appear to be graphic designers of print collateral and packaging.

Conclusion: To be decided prospect.

Our approach: unclear.

46. Skandaali Leo Burnett Oy; formerly publicis.fi. Now appear to be part of Leo Burnett, a U.S. based global ad agency.

Conclusion: Remote naming prospect; did not yet contact.

Our approach: 2nd tier; stress naming, then taglines

47. Suunnittelutoimisto Eklekti: a self-proclaimed marcom + advertising company; services include corporate identity projects, visual identity included and brand strategies, but not convinced of the latter, do not appear to do verbal branding.

Conclusion: Good naming prospect.

Our approach: 1s tier; stress naming and taglines (brand-specific verbal strategy and development).

48. Tequila: F only; part of TBWA, like Mainostoimisto PHS\ and North: Marketing communication.

Conclusion: To be determined prospect.

Our approach: unclear.

49. Think If: F only; a member of ESOMAR (European Society for Opinion and Market Research Agencies); not a super fit (they would be downstream from branding and naming), but if the work is already done or, if there is some evidence that a company wants them to drive its new direction (positioning, naming, etc.), then they would, say, provide research that substantiates a new name, for example, where we would step in.

Conclusion: Long shot naming and tagline prospect.

Our approach: 1st / 2nd tier; stress verbal branding, then naming and taglines.

50. Viestintätoimisto Pohjoisranta Oy: part of Young & Rubicam, whose branding arm is Landor Associates; it'd be good if they knew of Devign, as they might be more messaging rather than naming experts, but any referral would be a long shot.

Conclusion: Long shot naming and tagline prospect; did not contact.

Our approach; 3rd tier; distant to networking/awareness prospect.

51. Virta Medicommunity Oy: media-centric; part of MediaCom network (see entry #30 or 31), which is part of GroupM, in turn, WPP's global media arm.

Conclusion: Unlikely prospect.

Our approach: 3rd tier; stress naming and taglines; then broaden to verbal branding.

52. Kirnauskis Oy: a mid-sized agency with ad and marcom expertise; part of E3 (see last entry).

Conclusion: Potential naming and tagline prospect.

Our approach: 2nd tier; stress naming and taglines.

53. Brandworxx Oy: F only; indirect personal contact; help customers by developing strategies that differentiated them and bring competitive advantage.

Conclusion: Potential prospect, given the name, but could be seen as competition.

Our approach: 1st / 2nd tier; stress verbal branding, then naming and taglines.

54. Mainostoimisto Rientola: ad agency; does TV ads.

Conclusion: Networking prospect; did not contact.

55. E3 Network: “one of Europe's largest networks of independent marketing communications agencies. More than just an advertising agency association, E3 is a collaborative alliance of top international agencies;” given that, not a good fit regardless of cost.

Conclusion: members are ad or marcom agencies (downstream from branders) who generally see themselves as perfectly fit to brand, while having little to no skill in that area; membership will not likely lead to any prospects.

Our approach: contact the member agencies directly; more legwork, but best route.

5.5 Second Cycle Reflections

By analyzing the competitors' websites, I tried to get a grasp of their offerings, image, level of internationalization, networks, partners, number of personnel, year of establishment and turnover. My research shows that approximately 2/3 of the companies were established in the 1990's or in the 21st century. Hence, the majority are relatively new firms. Based on the observations obtained from their online presence, I estimated that approximately 17 companies have no international partners or regular network contacts. Approximately half of them have less than 10 employees.

The number of potential prospects was large and the time available for the appointments had to be within one week (calendar week 1/2010), which consisted of only four working days, with a Wednesday, mid-week holiday. We

knew we would have to limit the number of appointments in order to make it on time to each of them, particularly given the possibility of inclement weather. Our goal was 2 meetings per day.

6 THIRD CYCLE: LET'S GET THE SHOW ON THE ROAD

6.1 Study and Plan

We need to determine what kind of business entity we set up, whether we create a limited liability company or some other formal organizational structure. Another option is to partner with local firms, but without exclusivity. If that looks favorable, who are the likely agencies or individuals to approach? Do we partner with predominantly graphics houses or web design firms? Or do we go the advertising agency route enabling the short-term oriented noisemakers to get to their own client faster and easier? In this role, we essentially aid the advertisers by solving their client's upfront branding needs — before advertising comes into play.

6.2 Prospecting/Prospect-Building

After gathering competitive intelligence on the 54 aforementioned companies, we chose to contact 28 of them, representing both first and second tier fits (Appendix number 1 Devign Partner Contact List). Each received almost identical letters (Appendixes number 2/1 and 2/2, Devign Finnish Naming Letter) translated into Finnish, which introduced Devign. After sending the letters to the Managing Directors, we followed up by phone with approximately 2/3 of those target companies within two weeks from sending the first letter. Given the breadth of geography that these 28 companies represented, we began with prospects located in Helsinki. It was quite challenging to get a hold of the Managing Directors. We succeeded in getting meetings with four companies: Brandit Advertising, Brandworxx, Mailand Communications Oy and Sek & Grey. Due to the fact that our time was limited, with one day being a public holiday, I decided to concentrate our initial follow-up with those companies in the Helsinki area. After having successfully agreed on these four meeting ap-

pointments, we decided to focus on them rather than trying to run from one meeting to another.

6.3 Introductory Design Meetings

Three of the original four scheduled appointments took place. The meeting with Mr. Marco Mäkinen from Sek & Grey was postponed several times and then eventually cancelled. We sensed we were a mere curiosity for him, but not enough to actually meet face to face! During the three conversations we did have, we each introduced ourselves and our services and diligently took notes throughout our exchange. The following are company-specific recaps of our dialogue with the principals of each, in no particular order. Note, however, that they do not include our own “post mortem” of the meeting, our own observations of what transpired.

6.3.1 Brandit Advertising Oy

Tuesday, 5 January 2010 — Helsinki

Mr. Esa Rantanen, Managing Director; Karen North and Mari Vihervuori-Akkanen

- Brandit is a full service ad agency. The business comprises several diverse marketing units: Brandit Advertising Oy for advertising; eBrandit Oy for New Media and Taitomyly for PR. They participate in Nexxus, a European network of small agencies, at an annual fee of 3,000 Euros (Nexxus, 2010)
- According to Managing Director, Mr. first name Rantanen, big customers use mostly Swedish and UK companies for their naming needs, while mid- to small-sized companies use local advertising agencies. There are independent agencies in Northern, Southern and Central Europe, South Europe, but no pan-European clientele exists – only regional clientele. These agencies cooperate between neighboring countries, such as Sweden with Denmark, etc. and Brandit usually works on a project base.

- While Mr. Teemu Lakkasuo was on his South Pole journey in the Fall of 2008, he was sponsored by Brandit; however, the timing for this “campaign” was not right due to the impending recession.
- According to Mr. Rantanen, the last recession was easier than the current one; companies are now going through tougher times than before. Prior to the economic downturn, his team included 12 people, but that is now down to 6; Brandit does not use freelancers (as opposed to sub-contractors?) for creative work.
- Operations began in 1996, with the 2009 turnover estimated to be 0,7 million, which includes eBrandit, with a AAA classification.
- They receive a lot of inquiries because of the name; their logo is a dog lifting its hind leg, with the accompanying slogan: “Can we pee on you (your shoe)?”
- According to Mr. Rantanen, Brandit’s strengths are: reach ability, customer service, commitment and expertise. They help their clients in many different and unexpected ways and are otherwise highly flexible and creative to that effect.
- Client breakdown: large companies represent 25% of the portfolio, while, medium- to small-sized companies amount to 75%.
- Brandit does a lot of internal marketing (a key element of sales) for clients, namely web communication, direct marketing, integrated campaigns, multilevel marketing, from business cards to TV ads. Their expertise also covers trade magazines and trade shows and conferences.

6.3.2 Brandworxx Oy

Thursday, 7 January 2010 — Helsinki

Mr. Jari Taipale, Managing Director; Mr Tommi Huusko, Karen North and Mari Vihervuori-Akkanen.

- Brandworxx currently employs 7 people and has a network of graphical and user interface specialists. As its name suggests, the company is very brand-centric.

- In business for 15 years, having completed over 200 projects (they did the differentiation strategy for Helsinki Area). Clientele is mostly B2B service businesses.
- Theirs is a very in-depth approach, one involving a lot of market research, looking into the implications and costs to differentiate or competitively position oneself.
- What they're like to work with? very operational, tangible, practical, hands-on, comprehensive, research-heavy, precisely focused and action-oriented.
- Brandworxx shares with Devign the same thought that often it is the copywriter in advertising agencies who does the naming, not a naming, let alone a branding specialist. They spoke of two examples of how a company can succeed or fail when choosing a name. The positive case was with Lemminkäinen, where the name as such is strong, conveying Finnish history from the national epic poem, *Kalevala*. On the negative side of things, a recent trademark infringement case arose when stock exchange company Rautaruukki changed its name into Ruukki without first checking on trademark availability.
- Their clients want the answer to: What is my most competitive advantage? In order to help a clients improve its brand awareness, one has to find out the most important thing to the client's customers.
- Brandworxx has their own research lab and they do analysis and use practical methods, an approach which is highly valued by their clientele. Profit vs. process line (line of thought) is what companies usually do. They should instead focus on customer vs. personnel/employees line (line of thought), which comes first. This is their sweet spot.
- They showed us their new brand stewarding software tool, the Steering Room, which they will launch this year. It was first named Tori (for market place, plaza or square). It's very flexible and provides a means to measure key performance indicators (KPIs). Apparently there is no other MS-specific application around like the Steering Room.
- Brandworxx plans to open up an office in Sweden and the Baltic States; the challenge is to find people who understand branding and how it differs from advertising and PR.

- They asked Karen North for critique of their name, which she gave them, and in a subsequent email, they suggested we work together on the renaming of themselves as a reduced fee “get to know each other” project, which we were delighted to hear and agreeable to. We await specifics on a budget, timing and some naming-specific parameters, so that we may put together a proposal. They also thought they had a project for which Devign would be a good fit but needed to flesh out the details before they shared any information with us.
- Karen sensed that Brandworxx and Devign have similar values and perhaps working styles and standard; she added that there is a lot of potential in this relationship and hope it leads to some collaboration.

6.3.3 Mailand Communications Oy

Thursday, 7 January, 2010 — Helsinki

Mr. Alpo Räinen, Managing Director; Karen North and Mari Vihervuori-Akkanen.

- Mailand focuses on strategy-based communications; Mr Räinen prefers “corporate communications” over “marketing communications.” Mailand’s view of the world and its solutions:

Strategy (as provided by consultants) +

Media (as provided by communication agencies) +

Brand (as provided by ad agencies)

= / satisfy a client’s communication needs.

- Clientele is strictly B2B. Primary client contact is with Managing Directors, Steering Committees and Board Members. Examples of their clientele: Aalto university, ABB, Alfa Level, Rittal (German, electrical company), Proact (Swedish, IT), Corecomp (Channel marketing company).
- Opened their doors in 2008. Have at the moment 3 persons and use freelancers of all media (i.e. writers, translators, photographers, interior designers, etc.) when needed.

- Offers a series of 2-3 “fast-paced” workshops (spread out over 2 to 3 months).
- Customer magazines, web content, magazines, newspapers, TV are common channels for their content; they do no media advertising.
- The Finnish market could use some brand improvements, as it focuses usually on the sales message first. Mr. Räinen also gave us his assessment of Finnish companies: they are quiet and cautious; have only been in the international market for some 10-12 years, for the most part. There are roughly 250,000 companies in Finland, of which 80% are 1-2 person entities. 4,000 companies employ 50 people or more.
- Mr. Räinen recommends we contact the Finnish digital agencies, as he says they do not have English as a solid in-house skill set and miss opportunities to do more than just build the structure of a website. Devign could certainly help the web design firms even with naming, verbal navigation and copywriting.
- As far as a services fit with Mailand, Devign could contribute naming, nomenclature and tagline development, as well as any kind of verbal messaging, including getting the mark searched for trademark and domain availability.

6.4 Third Cycle Reflections

It remains to be seen how and when the cooperation will continue with these companies. Brandit Advertising may contact us if they get a client that is looking for an internationally competitive name, with the emphasis, interestingly enough being on “internationally competitive.”

Mailand Communications is a contact that might need Devign at some point in the future, especially when needing a U.S. native speaker language check or market evaluation of any documents, collateral material, articles, etc.

Brandworxx seems to be the most promising opportunity for Devign. In our meeting, they revealed to us that they had decided to change their name after they asked for an honest assessment of it from Devign. We are certainly inter-

ested in helping them with this per their suggestion. We await a few specific naming parameters and budget ideas from them so that we can craft a client-specific proposal. As our proposal reveals a good degree of competitive intelligence, particularly with respect to methodology, process, tools and pricing, we want to make sure we have them engaged before we spend time tweaking a template to their unique needs. We need to follow up with them again to gauge their level of interest, as they have not gotten back to us on our initial response to their January inquiry.

Further outstanding action items include the following:

- Contact a marketing publication magazine in order to get a naming-specific article published. We have a good idea about the article's content based on what we learned about the status of naming in Finland in our meetings and online.
- Familiarize ourselves with and contact the digital agencies. We will approach them in the same manner as we did with the branding and advertising agencies; however, we do not anticipate our research needs to be exhaustive, especially if they only do web design. More importantly, and even in the US, it's a matter of getting a hold of someone in each agency that understands the value of branding as it plays out in a website. Many web designer companies are just that; they design, making a sight look good and findable using SEO (Search Engine Optimization), but they have no clue about branding, and particularly verbal branding.
- Contact those firms that we did not meet in January. It's possible another trip could be planned in better weather and not during a week with a holiday in it. We could conceivably visit many more in a week and get to those that are outside of Helsinki. Of course, this depends on their willingness to meet with us. Timing-wise, it would be best if Devign could get some exposure in the way of the article in the Markkinointi & Mainonta before we tried to arrange a new set of meetings. This might peak the interest of those agencies who might be on the fence about whether or not it is worth their time.

One of the questions at this stage is what role I will play in Devign's business development in Europe. This is largely due to the uncertainty of the nature and

extent of any Europe-based projects that come about through my personal lead generation and client development. A common finder's fee in the United States is 10% of professional fees and is awarded to the first signed contract with a client. That is typically paid out upon successful completion of the project and payment in full by the client. While the pay should not be contingent on the client actually paying, when push comes to shove, that is how it works. In the case of Brandworxx, I have been offered a flat 10% of any professional fees, with the understanding that if I were more involved in the naming project, whether by necessity, desire or both, the percentage would be re-negotiated according to my involvement. That structure would hold true with other agencies to whom I introduce Devign.

While there is an incentive to generate leads and have them come to fruition as real projects, developing that business will be time-consuming, particularly considering the current state of awareness and understanding of naming and branding in Finland. Essentially, the offer is a commission-based one only, which is not uncommon in a sales or business development role. The downside of this is not being actively involved in the industry at the moment. Of course, I could choose to be. The upside is that lead generation and client development is not a costly endeavor other than the investment of time.

Therefore, the best way to achieve any kind of success given the economic restrictions, is to periodically do what we did in January, namely generate interest via letters of introduction, make calls to inquiry about fit and the potential of a meeting and then follow up, per each meeting's discussion. This is a very real option, essentially planting the seed for when the global economy climbs out of the doldrums and when Finnish businesses, by necessity or enlightenment or both, desire more internationally competitive names.

On a separate note, Devign has another angle of approach with Finnish companies. This involves going directly to the target companies themselves. This is ideal. It could be that such companies do not want to meet with Devign until there is a need, but the combination of requesting a meeting with the Principal while she is in Finland is already a significant show of interest. The benefit to

the potential direct clients is that when they do have a need, they know who Devign is, who they are dealing with, and hopefully have had a favorable enough impression to call on us when they have a project.

Out in left field, but not too far out, is the potential that Devign has, being highly mobile on the whole, to move to Finland and work from there to cultivate a following, network and generally generate interest for both the marketing specialty and a need for Devign. Karen and I could conceivably tag-team networking events and share in the requisite follow up. Currently the Principal is tied down at her present location due to the real estate market, but once that lifts, she is free to move anywhere, and I know here to be open to many locations, including Finland. She would only need to find out how to legally do that. She would have to check on the ability and cost to gain residency in Finland.

6.5 Trademark, Business and Domain Name Registration for Devign

Firstly, we need to determine what is the most efficient path and the order of such to enter our European target market and how we properly register Devign as a legal business entity and is setting up in Finland the priority, or should we look beyond those borders. By “setting up,” we mean becoming legal and conducting business in the most appropriate manner in accordance with local customs and business practices. We want to minimize any potential concern a Finnish company (at the very least) would have in working with us. Will a “Finland-specific” installation strategy cover us if we do business with other Nordic or Baltic countries? In short, what would be required to best position Devign to do business in Finland. Also, interrelated, what can and should Devign do protect its mark(s) in Finland and Europe.?

Here are a few processes to evaluate and weigh:

- Local agent without a trademark?
- Apply for a trademark (what are the restrictions?)
- Register a branch office there and then apply for a) a domain name or b) a domain name and trademark?

6.5.1 Trademark Registration Due Diligence

For maximum protection of a trademark or brand mark in Finland, one should register it with the National Board of Patents and Registration (NBPR). Registration with this government body secures the exclusive right to use the mark as a symbol for goods or services in Finland. An “exclusive right” means that only the registration holder may use the trademark in its business and may also, when necessary, prohibit others from using their mark or a similar mark liable with which it is likely to be confused (Patentti- ja rekisterihallitus 2010).

Should Devign decide to register its word mark, design mark or both in Finland, we would need to first search the following four online databases in order to determine the potential for any confusingly similar word, letter or numeral marks, or any combination thereof.

- National Trademark Database
- List of Trademarks with a Reputation (for more about this unique list, see Section 6.5.2)
- CTM-ONLINE trademark database of OHIM
- TR View Europa

A comprehensive preliminary examination is in order in most cases. For set fees, the NBPR offers consulting services in this regard. It appears they will provide advice, albeit not legal advice, about any results that bring up confusingly similar word or figurative marks. Nevertheless, given that the databases are predominantly in English (some results show only the description of goods and services in the registration holder’s language) and in light of Devign’s knowledge of trademarks and trademark search strategy, possibly we can forego outside costs and conduct our own availability screening. As application fees are non-refundable, we would want to understand how best to query each site for both identical and non-identical marks. If, in a thorough and strategic search we find no such conflicts, we should feel relatively confident in moving forward with the registration process.

6.5.2 Finnish Trademarks and Registration Process

Application for a trademark in Finland only is done in writing to the NBPR. The non-refundable application fee is € 215 and includes three classes of goods or services. No reimbursements are given even if the application is rejected, dismissed not if the applicant him-/herself withdraws his/her application. For applications that result in registration, the trademark is valid for ten years from the date of registration, provided the application fee has been paid. In order to keep the trademark in force, a renewal fee must be paid every ten years; this “maintenance” process can go on indefinitely.

A foreign trademark registration applicant who neither resides nor has a registered office in Finland must appoint a representative (i.e. *asiamies* from *Patenttiasiamiestoimisto*), who represents the applicant in all matters concerning the mark. As necessary, the name, domicile or registered office and address of the representative must be included in the application. In addition, a power of attorney must accompany the trademark registration application.

Upon receipt of the application, NBPR searches and evaluates against any confusingly similar word marks, national trademarks and Community Trademarks that have been registered and filed in the specified class (es). In addition, company names that have been registered in the same category of business in the Trade Register are also examined, and in what seems to be an unusual and not fully understood Finnish twist, the Board also searches surnames in use in Finland to determine whether there are any that could bring on registration obstacles.

As well, for those who have filed for entry in or have trademarks entered in the “List of Trademarks with a Reputation,” the NBPR informs their respective applicants so that they have the chance to decide whether or not they will oppose the registration request. A secondary, but key trademark database, “List of Trademarks with a Reputation” includes the word and figurative marks of iconic Finnish companies (Finlayson, KONE, Marimekko, the Karhu bear,

etc.), as well as non-Finnish companies (RedBull) who have been recognized as having a proven reputation in Finland, which is the primary condition for entry, as defined in Section 6(2) of the Finnish Trademarks Act (The concept of a trademark with a reputation is based on Community legislation, the interpretation of which is supervised by the Court of Justice of the European Communities).

The criteria for one to become part of this elite group is tougher: one must submit proof of the reputation with the application, along with the list of the goods and/or services for which the trademark is considered to have a reputation. The NBPR also assesses the mark's reputation on the basis of the stated target group(s) in which it has said reputation. If a target group is not defined in the application, the NBPR considers all Finns to be the target group. Other documentation that the NBPR takes into account includes, but is not limited to, market share, marketing costs, market penetration, geographical reach and the length of time the mark has been in use.

6.5.3 Community Trade Marks ("trademarks" elsewhere) vs. International/National Trademarks

For those trademark owners who seek protection beyond Finnish borders, they should consider a) European Union or Community Trade Marks; b) international trademarks or c) individual national trademarks. Regardless of the type of protection one seeks for his/her mark outside of Finland, the marks must be filed for separately. One can apply for European Community protection via either a) a Community Trade Mark (CTM) or b) an international registration:

A Community Trade Mark (CTMs), valid across the EU, is registered directly with the Trade Marks and Designs Registration Office of the European Union (OHIM) in Alicante, Spain in accordance with the conditions specified in the CTM Regulations. The OHIM is the agency responsible for registering trademarks and designs (note: not patents) that have effect across the entire 27-member European Community. The OHIM can act either as Office of Origin if

an international application is based on a CTM or as Designated Office if the EC is designated in an international application originating elsewhere (see International Registrations). Noteworthy is that OHIM is the acronym for “Office for Harmonization in the Internal Market.” It’s clear that the latter came *before* the non-acronym-ed moniker, but why there is no new acronym for “Trade Marks and Designs Registration Offices of the European Union” is a mystery, other than the resulting acronym would be very clumsy and even difficult to remember due to the full name’s length.

A CTM affords one protection in the entire EU community; it is a unitary mark, meaning you cannot pick and choose the member nations that comprise the mark. In order to receive registration, the mark must be clear in all 27 members of the EU. It’s an all or nothing application for protection; if just one conflict is found, a CTM cannot be registered. However, if a CTM application is rejected on those grounds, for those who then choose to seek protection on a national, country-by-country level, the CTM application date is acknowledged, provided the CTM fees were paid within one month of that application.

The minimum cost of registering one CTM (which includes 3 international classes of good and/or services) is € 900 to file online (e-filing) vs. € 1050 for a paper application. This cost will vary according to the number of classes of goods and services for which protection is sought that exceed the three allowed. In contrast to a Finnish national mark application, any natural person or legal entity from any country in the world may file for a CTM. A registered CTM is valid for ten years from the date of filing of the application. It can be renewed indefinitely for further 10-year periods.

The Address is Office for Harmonization in the Internal Market (Trade Marks and Designs), Avenida de Europa 4, E-03008 Alicante, Spain (Oami 2009).

Given that the CTM application fees are non-refundable, it’s clear one should do as much vetting as possible about any potential conflicts. In some instances, a CTM could be more economical, but that depends on the countries in which one seeks protection and, within each, what type of protection is sought. Hence, a CTM is not always the superior option compared to individu-

al national marks. If however, a CTM looks promising, there are advantages to applying for a mark in a streamlined process: there is a single entity to deal with, there are a half-dozen languages in which to communicate, and one saves a great deal in fees and time, not to mention what the maintenance and monitoring of each national mark means long-term. By example, the application fee (also non-refundable) for a national mark in Finland costs € 215. Taking that fee and applying it across three other countries, one might conceivably obtain 4 separate national marks for € 860 (€ 215 x 4), or less than the CTM cost. With that said, one might be better off (i.e., if s/he is only conducting business in and likely not to venture beyond, say, Finland and one other EU country), to apply for national marks in these two countries instead. It goes without saying that the CTM does not grant protection in countries that are not EU-members, so one must also take non-EU member protection into account.

6.5.4 International Registration

An international trademark, designating the European Community, is administered by the International Bureau of the World Intellectual Property Organization (WIPO) in Geneva according to the Madrid Protocol treaty. In a single procedure, the Madrid System allows trademark owners a flexible and cost-effective way to simultaneously protect their mark in more than 80 countries, or just a select few, according to one's business needs. Application for a WIPO EC-designated International Registration mark has the same effect as applying directly for a Community Trade Mark through OHIM. The OHIM's role in the international system is similar to the role played by national offices. OHIM is the EU's regional point of contact for WIPO in all international application proceedings either based on a CTM or designating the EC.

The Madrid Protocol affords protection both within the EU, but not necessarily as a single entity, and/or beyond (but only Madrid Union members, those who have ratified the treaty), so an international registration may be anywhere from one's best value to cost-prohibitive. Comparing and contrasting the cost of international registration has gotten easier with the WIPO "Fee Calculator" (WIPO, 2010).

International applications may be filed either directly with the OHIM or via national industrial property offices. WIPO processes the application and then sends it to OHIM for examination per the CTM regulations. In contrast to a Finnish national mark or CTM application, only those who are a party to the Madrid Protocol may file for International Registration applications. As the United States of America is a party to the Madrid Protocol, should Devign seek an International Registration (EU-specific or not), it would contact the industrial property office of the United States of America, namely the USPTO (United States Patent and Trademark Office) to start the filing process.

6.5.5 Community Trade Mark Registration or International Registration?

Which organization one chooses to work with all depends on the intent and pockets of the brand owner. Trademark protection decisions should be made by a brand owner and his/her trademark counsel (not merely a business law attorney, for example) on a case-by-case basis.

Intellectual property strategy, whether it's the geographic protection sought, the goods and services selected or the description of the latter, is an oft-overlooked competitive differentiator.

In order to ensure the broadest protection at the lowest cost, one needs to carefully assess where the mark will be used, now and in the near future, the brand's current equity in each market and potential challengers (what is the risk for perhaps not registering a mark in a specific location?) and determine any possible trademark infringements that could render a mark un-registerable. Armed with that information, one can more comfortably decide with which entity to register for international trademark protection, and the extent of the respective coverage sought (i.e. the number of classes of goods and services, word marks only, design marks only or word and design marks, color or only black and white marks/design marks, etc.).

As a rule of thumb, one should strike a balance between what is realistic for the mark in terms of its geographical presence and affordability. In other

words, do not over-apply; do not seek protection for a mark in a place in which it is likely that you will not offer your goods or services. (Of course, with the Internet and a web presence, marks are virtually everywhere.) Many brand savvy people, clients and agencies, are not intellectual property savvy. As such, they do not realize the costs involved to protect a mark. All things being equal, the cost of creating a name, tagline, logo or other uniquely identifying brand element is minimal compared to the initial and ongoing trademark protection that once must constantly monitor and enforce. In short, marks should not be vanities but brand tools and a balance sheet's goodwill, if one is not able to tangibly assign a monetary value of the mark.

6.5.6 Business Registration in Finland

New businesses are registered in Finland by submitting a single form (filed either in Finnish or Swedish) to the NBPR and the Finnish Tax Board via email, regular mail, online or in person, which enters one into the Trade Register, a nationwide register of enterprises conducting business in Finland. This register shares information and is aligned with the National Board of Patents and Registers and the Board of Taxation. The initial declaration (F. *perustamisilmoitus*) to the Trade Register must be made before commencement of the business.

In practical terms, each business entity fills out a bilingual Finnish/English Start-Up Notification (*Perustamisilmoitus*) form according to the type of company it has formed. With this application, they can also apply for registration in the employer registry, prepayment registry and/or VAT registry. (Yrityssuomi, 2009).

- Y1 Start-Up Notification is for private or public limited companies, co-operatives, savings banks, foundations, associations and other organisations (F. *osakeyhtiö, osuuskunta, säästöpankki, säätiö, yhdistys ja muu yhteisö*). Handling fees for these types of companies costs € 350.
- Y2 Start-Up Notification is for general and limited partnerships (F. *avoin yhtiö ja kommandiittiyhtiö*). Handling fees for (limited) partnerships costs € 180.
- Y3 Start-Up Notification is for private entrepreneurs (F. *yksityinen elinkeinonharjoittaja*). Handling fees for private entrepreneurs costs € 75.

Prior to applying, one should search for any potential conflicts with Finnish company names using the Business Information System (BIS), a jointly maintained database of the National Board of Patents and Registration of Finland and the Finnish Tax Board. The BIS includes businesses and organizations entered in the following registers:

- Trade Register
- Register of Foundations
- VAT Register
- Prepayment Register
- Employer Register or
- the Client Register of the Tax Board

It also contains businesses and organizations that have filed a start-up notification but have not yet been entered in the registers mentioned above. The system enables companies to report their information in one single notification to both NBPR and the Finnish Tax Administration. Processing time for this start-up notifications are currently 18 working days.

Address: National Board of Patents and Registration of Finland Trade Register Arkadiankatu 6 A, Helsinki P.O.Box 1150, FI-00101 Helsinki. Phone: +358 (0)9 6939 500, Fax: +358 (0)9 6939 5328 (Patentti- ja rekisterihallitus, 2009).

6.5.7 The Business ID and How to Get It

The Business Identity Code (Business ID replaces the Trade Register Number, Foundation Register Number and Business Code used before. Consisting of seven digits plus a dash and a control mark digit (i.e. 1234567-8), the code identifies the business only. It is not possible to conclude on the basis of the Business ID whether the business actually has been registered; that must be checked separately with the trade registration authorities.

A new business or organization will receive a Business ID as soon as the governing bodies [NBPR, Finnish Tax Administration or any of the Local Register Offices (*F. maistraatti*)] have entered the start-up notification in the Business

Information System. These registration authorities and the database, BIS Search, on this website will provide the Business ID in approximately two working days from the filing of such notification. (YTJ, 2009)

A business or an organization entered in the Trade Register, VAT Register, Prepayment Register or Employer Register must mention the Business ID in its business letters and company forms. Business ID is '*Y-tunnus*' in Finnish and '*FO-number*' in Swedish. When a VAT-liable business trades with another VAT-liable business in another EU member state, both the Business ID and the VAT number must be stated in the invoice. VAT number is '*ALV-numero*' in Finnish and '*momsnummer*' in Swedish. In addition to the business ID, limited companies have to mention the company name, domicile, address in their letters and forms. In addition to the business ID; a branch of a foreign trader has to mention the trader's company name, legal form, register (the name of a foreign register), registration number, domicile in its letters and forms.

6.5.8 Securing a .fi Domain Name

For its non-consumer customers, the Finnish Communications Regulatory Authority (Finnish Communications Regulatory Authority, 2010) maintains information on licenses, domain names, numbers and other services for companies and organizations. Registration for a .fi Top Level Domain (TLD) is very restricted, particularly compared to the United States. In brief, Finland allows no hoarding or registration of a domain; to apply for a domain, a company or a private entrepreneur must be a) entered in the Finnish Trade Register, the Finnish Register of Associations or the Finnish Register of Foundations; b) a Finnish public corporation, state-owned company, independent public service, public association or the embassy of a foreign state. Domain names may be registered for only after the Trade, Association or Foundation registration has been finalized. An applicant who has only a pending Trade, Association or Foundation registration, a Business ID or is entered only in the Tax Administration register is not entitled to a domain name. New domain name registrations cost the following: 13 €/one year, 36 €/three years or 55 €/five years

(VAT 0%). Renewals have the following fees: 13 €/one year, 36 €/three years or 55 €/five years (VAT 0%).

6.6 European-Level General Business Resources

The Your Europe – Business portal (European Commission, Your Business, 2010) offers practical multilingual information and access to online government services for companies looking to do business in another EU country. Created by the European Commission and national authorities, it contains rights, obligations and administrative procedures related to business. Each country has a link to its respective information. For Finland, one can access http://ec.europa.eu/youreurope/business/expanding-business/finding-business-partners/finland/index_en.htm. This general information link is also helpful for new small businesses: <http://ec.europa.eu/enterprise/policies/sme/business-environment/failure-new-beginning/new-business/golden-rules/>.

There is a proposed “new” legal instrument designed specifically for the creation of small- and medium-sized enterprises (SMEs) operating across borders who currently must set up subsidiaries in *different company forms* in every member state in which they want to do business. According to the 2008 proposal, SMEs account for more than 99% of companies in the European Union but only 8% of them engage in cross-border trade and only 5% of them have subsidiaries or are involved in a joint venture abroad. This is largely due to the red tape and legal costs associated with setting up these many different types of companies. The proposal would allow entrepreneurs to follow the same set of company laws throughout the EU and keep the same management structure, regardless of where their businesses are located. Unfortunately, there seems to have been no movement on this proposal since its introduction in June 2008.

In response to the global economic and financial crisis and in an effort to encourage sustainable entrepreneurialism, the European Council of December 2008 adopted the Commission's European Economic Recovery Plan, which

calls for reducing the start-up costs and procedures for small companies. The new targets are:

- reduce corporate start-up costs to zero;
- reduce the corporate start-up time to 3 days;
- require countries to create a one-stop-shop for new businesses.

7 LITERATURE REVIEW/SUPPORTING THEORIES

Key words: Internationalization, Market Entry, Entrepreneurial Partnerships and Professional Services Firm

7.1 Professional Services: An Industry Defined

Professional service firms (PSFs) are primarily knowledge-centric, information-intensive enterprises that rely on the delivery of professional expertise for their value-creation activities. Nachum (1998) describes two unique characteristics of such firms: 1) knowledge is their core resource; and 2) their clients are institutions and organizations. Examples of professional service categories are management consultancy, market research, tax planning, public relations, marketing (including branding, advertising and marketing communications), law, auditing, information technology, architecture and engineering services. With respect to marketing, branding is upfront marketing, where the long-term positioning of the brand is set and the product or services identity is created. Only after that is set can one begin the path to spreading the brand's gospel. Broadly speaking, the marketing communication sector consists of three parties: advertisers (who produce branded products or services), the media (through which such products and services are advertised) and advertising firms (Boojihawon & Young, 2002, 167-167) In other words, without a brand, one has nothing to advertise, promote or distribute. The brand must come first, despite the fact that old school advertisers believe that not to be the case. It has been proven otherwise, but in reality only the most brand-savvy of customers "get" that it's first about the brand and then how it's marketed. Marketing a bland brand, a no-name brand or even an unbranded product or service usually requires a lot more marketing and advertising dollars than if the brand were strong to begin with.

Boojihawon and Young (2002, 179) suggest that PSFs differ from consumer service companies and traditional manufacturing in the following three aspects:

- Effective client servicing is instrumental to their international development in foreign markets.
- Lead generation and new business development is through established networks.
- Professionals' expertise and skillsets must be development and constantly nurtured in order to provide local solutions within a global framework.

Traditionally, services have been considered as locally produced solutions, and service firms have been local establishments. To a large extent, this is still the case, as the more common intangibility of services (as compared to products) creates a number of challenges that those who produce goods do not face. (Grönroos 1999, 290.) A service is something that can't be tested prior to making the purchase, so it is not easy to provide evidence or demonstrate its benefits to the customer. Prospects therefore need to rely on more tangible evidence, like past experience, credentials, track records, personal selling, testimonials, references and word-of-mouth. This is particularly the case in international marketing of communication services across national borders. Consultancy services are extremely intangible and have a high degree of environmental sensitivity. This means that the service is exceedingly dependent on the general business climate, location and/or atmosphere in which it is performed and experienced. (Lee, Carter, 2009, 324-325.) Moreover, such services are deeply dependent on the personalities of the consultants themselves and the interaction between the latter and his/her clients. Consulting, even nationally-based, is essentially about finding a good fit with a competent professional who delivers on what she or promises to do. Chemistry is even harder to secure when cross-cultural factors come into play.

Nevertheless, service businesses have become more and more international (Grönroos, 1999, 290.), not to mention successful at their internationalization. The professional services industry is one of the fastest growing economic sec-

tors in most countries, irrespective of their level of development. Together with other professional services, the importance of international marketing communications has grown significantly since the early 1980's and has led to the emergence of multinational advertising agencies capable of serving multiple markets. This is due in large part to the ever-shrinking world as provided by technological advances in communication.

7.2 Internationalization: How It Takes Root

Crucial to any firm's first step toward international operations are management dynamics and commitment. Managers of international firms are typically active and aggressive and possess a high degree of global orientation. For a business that decides to go international, a resounding strategic change is in order. The first stage of internationalization is simply becoming aware of international business opportunities. Internationalization is a learning process: a firm must learn about foreign markets and institutions but also about its own internal resources in order to know what it is capable of when exposed to new and unfamiliar situations. Management must then make the decision of timing and degree of internationalization. Managers who have lived abroad and studied foreign languages are particularly interested in foreign cultures and so are more likely to investigate whether international business opportunities would be appropriate for their firms. (Czinkota etc. 2009,217.)

Holmlund and Kock (1998) conclude that management's social network abroad and their previous professional experiences are most important drivers for a firm considering internationalization. Following this example, according to them, the most common way of doing business was with a companies' own sales representative or through an agent. Small firms may not adopt a specific internationalization strategy; rather, they develop overseas contacts and links. (McDonald, etc. 2002, 28.)

7.3 Internationalization Strategy of Professional Services Firms

The service sector is expanding rapidly over national borders. The Uruguay Round and the 1993 General Agreement on Tariffs and Trade agreement (GATT) both lowered barriers for international trade in services. In addition, rapid globalization has increased the opportunities for marketing services abroad. (Grönroos 1999.) The General Agreement on Trade and Services (GATS) presents four channels or “modes” of supplying professional services to foreign consumers. Figure 3 displays the relationship between these internationalization approaches.

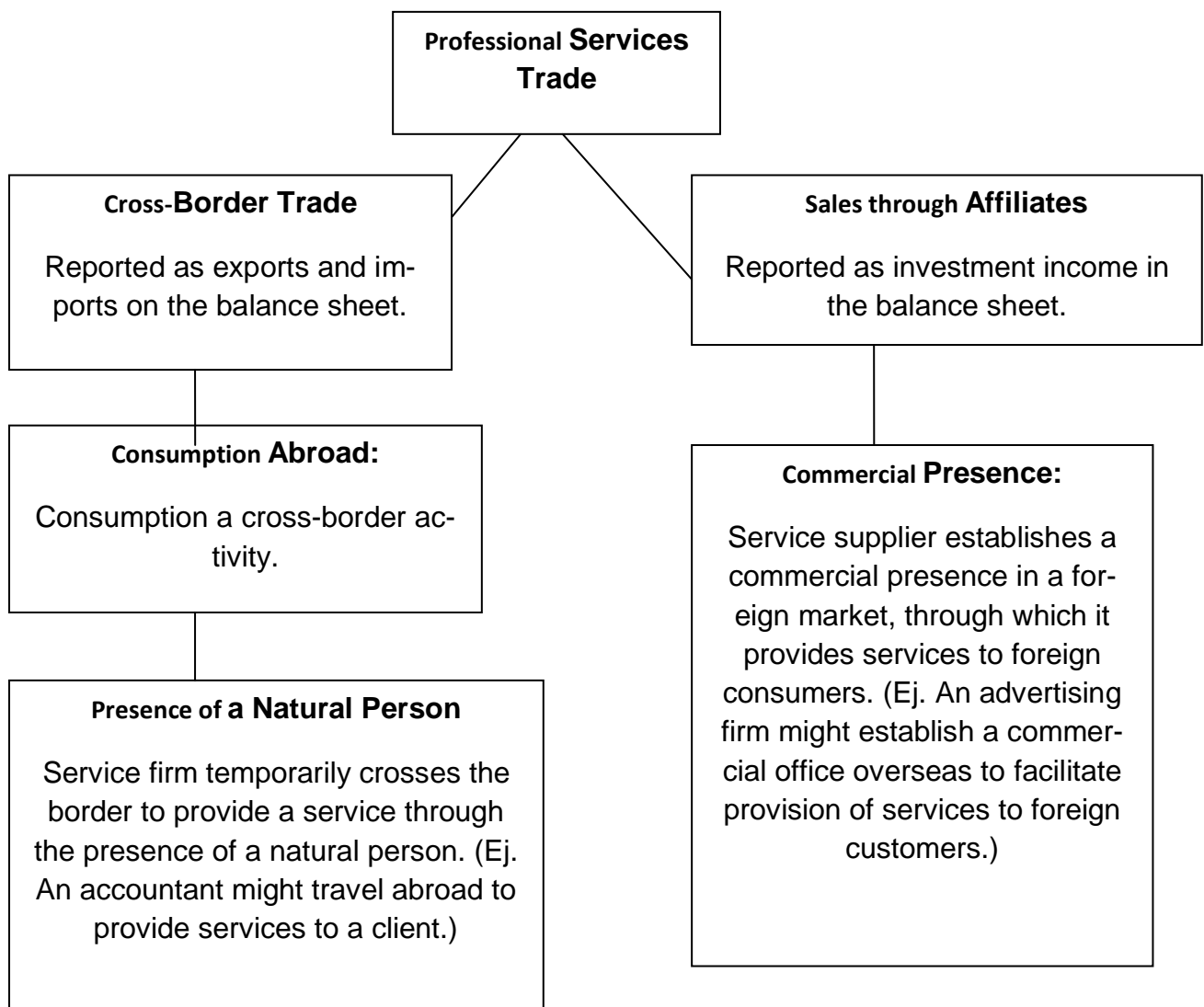


Figure 3 Relationships of internationalization strategies

The drivers behind the globalization of PSFs are deregulation, technological advances, growing global competition and particularly the increasing globalization of their own clients. For example, advertising firms have responded to clients' demand that they invest in cross-border operations and provide a consistent and coordinated cross-border service. However, international PSFs are not without their challenges. Embracing cultural differences and local business practices cannot be emphasized enough when attempting to build lasting global relationships. (Boojihawon & Young, 2002, 168.) Boojihawon and Young group common internationalization strategy issues for PSFs into internal and external factors:

Internal factors: a firm's strong reliance on its people (professionals), firm-specific experience and accumulated knowledge for strategy development and issues relating to the assessment and management of corporate performance with increasing international expansion.

External factors: the underlying changes in the industry's environment (associated with globalization) and the increasing ability of PSFs to serve foreign markets through foreign affiliates, acquisitions, joint-ventures and integrated international partnerships and networks.

Grönroos (1999) has defined five main strategies for internationalizing services. none of which are mutually exclusive. They are direct export, systems export, direct entry, indirect entry and e-marketing.

7.4 Market Entry Theories

There are many internationalization process theories. The most common or popular of them, according to Lee & Carter (2009, 213.), are stage models, bargaining power, networks and born global. The most known stage model is the "Uppsala School" model. The Uppsala School model explains the internationalization process of a company in which the export activities are performed. Stage 1: No exporting. Stage 2: Exporting via independent representative (agent). Stage 3: Establishing an overseas sales subsidiary. Stage 4: Overseas production/manufacturing unit. The second pattern of this model is

that companies enter new markets lacking key knowledge and with great psychological distance in terms of cultural, economic and political differences. In the internationalization process of SME's with rather limited experience abroad, uncertainty must first be reduced as a result of acquiring experiential knowledge in order for them to attain the desired commitment abroad. (Lee & Carter 2009, 214-215.) The network model emphasizes how organizations make use of business networks as a mechanism to internationalize their activities.

Different internationalization theories exist which provide companies with different emphasis on the issues of market entry and market entry mode selection. Whitelock presents a comparison of internationalization theories where the influential features and key elements are represented in a single model incorporating different factors affecting the market entry decision in a more realistic and comprehensive way. (Whitelock, 2002, 342-347.)

Theory	Influential Feature	Focus
Uppsala Model (Johansson and Valhne, 1977)	Experiential Knowledge	Firm
Eclectic Paradigm (Dunning 1988)	Cost of Transaction	Firm
<i>Industrial Networks</i> (IMP Group)	Interaction	Firm, Customer, Competitor or Supplier within Market Environment
Business Strategy (Reid, 1983. Root, 1987)	Opportunity Resources Managerial Philosophy	Market Firm Firm

In the Transaction Cost theory the cost variables involve finding and maintaining an appropriate partner to perform a firm's functions in a foreign market.

Transaction Cost theory assumes that markets are competitive i.e. there are many competitors. Consequently Transaction Cost theory tends to investigate either export models or production within the market. (Whitelock, 2002, 342-347.) Transaction costs vary from market to market depending on competition, company expertise, technology and economic development. In markets with low transaction costs, a firm might find many suitable partners — those that have the skills and ability to deliver the product or service in an effective manner — with which to cooperate, whereas in markets with high transaction costs, there may be few, if any, potential partners. Furthermore, trade or business practices may mean an unacceptably increased risk of technology dissemination. (Brouthers, 2002, 195.)

7.5 Market Entry Modes: Putting Theory into Practice

There are several market entry modes for manufacturing companies. For the purposes of this study, we discuss only the appropriate modes for a small service industry firm. Prior to determining the most appropriate mode, one needs to analyze the factors influencing the choice and implementation of each entry mode option. A rigorous self-evaluation is a must to correctly identify the best fit with respect to an entry mode in relation to the company seeking one.

- What are the firm's market objectives? What does the organization wish to achieve there?
- How large is the organization, in employees, revenue, etc.
- What are its financial, physical and human resources?
- What are its previous experiences in cross-border marketing?
- What is the personnel's level of global readiness? Does it have the skills and the attitude to market overseas?
- What is the nature of the target market?
- What are the unique skills and competitive advantage the firm possesses?
- When is the best time to enter the market and at what level of involvement?
- Is there any flexibility in the chosen mode of entry?
- What are the levels of risk and control?

- Are there any barriers affecting the mode of entry? (Lee and Carter, 2009, 230-231.)

Entry modes characterized by a low level of involvement and a low level of risk and control are, according to Lee and Carter (2009, 231.): Direct Exporting: agents, distributors, e-commerce, e-business, interactive TV. The benefits of a small service firm in using agents/distributors are the low level of investment and possible quick speed of entry. The possible weaknesses, in turn, are reduced market control and competitive exposure. Potential ROI could be high or low.

Indirect exporting: via domestic organization, trading companies, export houses, piggy backing.

Grönroos suggests three general entry modes for service firms going into foreign markets:

1. Client-following mode
2. Market-seeking mode
3. Electronic marketing mode

Grönroos (1999) states that in many cases it is not a firm's choice but rather a necessity to go abroad. One possible internationalization mode is to follow the existing customer(s) when they start looking for new markets. Market-seeking mode comes into play when potential customers in foreign markets pick up service offers via the Internet for a domestic market and require a firm to deliver internationally as well. The electronic marketing mode is essentially a simultaneous market-seeking mode..

Apart from exporting and importing, the alternatives for international business entry are licensing, franchising and establishing a local presence. Full ownership, especially for SMEs, has lost its appeal in many markets, with the main alternative being inter-firm cooperation, in which a company joins forces with or partners in some manner with another business entity. (Czinkota etc. 2009, 240.). Of all the entry modes, franchising is fast becoming a driving force, es-

pecially in the service industries, but franchising does not suit all businesses, even service-sector ones.

7.6 International Entrepreneurialism: Dynamic Partnering

One of the most efficient methods for an entrepreneur to enter an international market is to partner with a like-minded entrepreneur of the target country. Because local entrepreneurs know and understand the country and culture, they can better gauge the economic, political and social climate, as well as the nature of entrepreneurship.

A strategic alliance or partnership is a formal or informal arrangement between two or more companies with a common business goal. The alliances can take on many forms varying from informal cooperation to joint ownership of worldwide operations. The world is so competitive that even the largest companies cannot overcome everything independently. As a result, strategic alliances with suppliers, customers, competitors and companies are formed in order to achieve multiple and mutual cross-border goals. (Czinkota, Ronkainen, Moffett, Marinova and Marinov, 2009, 231.).

Joint ventures and strategic alliances are examples of more formal relationships, with the main difference being that the latter is a non-equity cooperation, whereby partners do not invest in the alliance. (Lee and Carter, 2009, 233.) Such partnerships are found in large, global operations. In informal relationships, companies work together without a binding contract based on mutual understanding and trust; however, this may lead to a more formal arrangement, such as contractual agreements or joint projects. This collaboration often includes visits to exchange information about new products, processes and technologies. These partners are often of no real threat to each other's markets and tend to be mid-sized companies in comparison to the competition, making international cooperation essential. (Czinkota et al., 2009, 232.)

Regardless of the specific arrangement, about selecting the best partner, Hisrich states that first you need to collect as much information as possible on the industry and potential partners. Vet each potential partner's references and monitor them on an ongoing basis. In addition, it is critical to meet with the potential partner several times to get to know the individual and the company as well as possible before any formal commitment is made. (Hisrich, 2009, 206.) This is particularly important in cultures where conducting business is more, or better said, first about personal relationships. In fact, it would be considered rude to initially launch into business negotiations in some cultures, to the extent that if this were to happen, the chances of reaching an agreement would be nil, or the outcome likely disastrous.

8 REFLECTIONS & CONCLUSIONS

Through this study we gained valuable information about the internationalization process of a micro-sized U.S. brand identity company. The knowledge gained is not only beneficial to Devign but also to other small-sized companies who plan to establish themselves in another country. This study showed that sending letters of introduction (not e-mails) - the traditional approach - is still relevant, especially in the marketing sector. In addition, it was found that personal relationships are very important to a productive collaboration. An alliance of like-minded people who have common goals is more likely to lead to future and lasting cooperation when they share similar values, beliefs, standards, working styles and ethics. To engage with a partner at any level, it is also imperative that each defines the solutions they provide in similar fashion. This service is to define the competitive space of each and carve out complementary cross-practice opportunities.

In the beginning of the study we were confronted with the novelty of branding in Finland. It became more and more evident that a growing number of general marketing and advertising agencies also present themselves as brand identity companies. However, is not clear whether these firms can actually deliver on the branding component. The research showed that there is not a commonly shared view by agencies of what branding actually is, and few differentiate between branding, marketing and advertising. Moreover, it appears that

branding is defined as what is most convenient to the professional services firm at hand. Maybe they, like their U.S. counterparts, wized up to the fact that branding, by nature the most upfront component to marketing, is the way to gain earlier access to marketing clients, regardless of whether they. What was apparent is that there are relatively few PSFs who market themselves as branding and brand strategy service providers. A number gave a nod to the specialty, but we would not consider it sufficiently convincing, particularly when reading the case studies that were available. Sparse usage of the terms “branding” or “brand strategy” would lead one to believe that in most cases, that is not their forte.

As expected, many of the Finnish-based marketing and advertising agencies already have international contacts and are part of marketing, advertising or, more broadly, media networks. We did not find that the major brand strategy providers per se have a direct presence in the country. Rather, it is only when you trace the lineage of the networked presence in Finland that you see that the parent company, very high up the ladder and comprising many, many agencies of all different marketing specialties, indeed has a brand-specific service provider, but that entity is in and of itself not in-country. For example, Landor Associates is the branding arm of Y&R (Young and Rubicam), which in turn is part of the even bigger WPP. Yet, a sister company of Y&R under the WPP umbrella, Grey Group, is presented as Sek & Grey. And, the global advertising unit of WPP, Ogilvy, does have representation in the form of alliances. In fact, the majority of networks were advertising- or media-centric.

Further to fleshing out the true extent of a networked presence of genuine corporate identity service providers, no matter how many would like to present themselves as brand developers that they are not. They are advertisers, and there are numerous instances in the U.S. where they have somehow beaten out the true brand strategy and identity creation producers (usually because they sell a one-stop-shop solution), only to fall flat on delivering. It is the uninformed client, the one who does not do due diligence on the industry or their potential service providers who are gullible to the showy salesmanship of advertisers.

The research also confirmed that there is a need for native speaker language evaluation in marketing communication and product and service naming, despite a tendency to use more English in both “short” branding components, like names and taglines, as well as more extensive branding, such as web copy.

The interest shown by Finnish branding agencies towards Devign’s offerings left us with a consistent impression that there is genuine interest in U.S.-based, branding know-how. Internationalization is an exhaustive, ongoing and time-consuming process. The research and study laid the groundwork for future alliance opportunities. Based on the response from our letter of introduction, we believe that more companies would have had a genuine interest in meeting with Devign had Ms. North been able to stay for a longer period of time in Finland and during more favorable weather conditions.

The study proves that a professional service firm’s entry to international markets is viable with reasonable costs. However, due to the distance between the home market and Finland, and specifically where Devign is located in the United States, flights are not that frequent as they are from New York or Boston and are expensive with regards to time (requiring multiple connections) and monetary costs. Also, given the current commitments of the Principal, there are current difficulties in finding a suitable schedule that might offer some regularity of visiting the target market.

Presently this ongoing project focuses on continuing our dialogue Brandworxx. We look forward to giving them a client-specific proposal and must follow up with them in that regard. We are hopeful that the renaming of their own agency is a good launch project for the both of us to get to know each other and understand how Devign’s services could actually help Brandworxx secure more work that they previously would not have been able to deliver on, at least in-house. Mailand Communication may contact us when a need arises for a native speaker editing of documents, collateral material, articles, etc. They proposed we contact them again in April or May to keep in touch; we will

follow up with them within the next week. Perhaps an opportunity has developed; at the very least, we remain top-of-mind. Devign is very good about looking for underutilized verbal assets, which, when shared with a complementary service provider, can show them how to create more business, not just for the sake of it, but business that strengthens the brand and client's value proposition, making the downstream service providers, namely marcom and advertising professionals, look even better.

In the near future, we will contact the digital agencies and those branding agencies that we did not yet manage to contact personally. We anticipate going about this in the same manner as we did with the initial contacts: letters of introduction, followed up by phone calls to gauge interest, and where possible, arrange a meeting of mutual convenience. We also plan to write an article on naming and try to get it run in the major trade publication for the marketing sector, Markkinointi & Mainonta.

With respect to intellectual property protection of the Devign mark in Finland and/or Europe, we've determined that it's likely that the Devign mark is available across Europe. It still needs to be decided if we go the risk-averse (but never completely) route and apply for a trademark in Finland only (at the cost of € 215) or a European Community-designated mark through WIPO's national affiliate in the US, the USPTO. The costs of applying for a Community Mark (CTM) is roughly the same as that of an EU-specific international registration (approximately € 915), and given that the Principal is in the United States and has successfully conducted business with that organization for the various Devign marks, it's the most effective course of action.

In relation to the formal business registration of Devign in Finland, we've concluded that the two most applicable forms of partnership, as defined by the NBPR, are either a general partnership, which requires no capital from either partner or a limited partnership, wherein the silent partner makes an investment. Regardless of the type of partnership, the application cost is € 180. Once we apply for that, we will get a business identity code.

We still need to determine the tax liability. That is the major issue at stake and will determine the decision on whether we actually register Devign as a business in Finland. Despite the fact that there is a reciprocal agreement between the U.S. and Finland that avoids double taxation, we do not want to get hit with costs that are solely related to having started a business in Finland if we have yet to secure any business from the market. Because, as many other professional services firms prove, we do not have to have a physical presence in the country in order to deliver our services, it might be prudent to wait until we actually get some projects there. Devign has done naming for European agencies and companies alike, both in-situ and from abroad, and this manner of conducting business could continue without us having to formally set up a business. The risk is that the Devign name might already be taken when we do decide to proceed, and following suit, so might the domain name, but the .com top level domain is universally accepted and prestigious, so there's no real need for the .fi domain.

That is all the more true given that the website is in Finnish. We still need to upload the entire Finnish site to the Devign site. This has not been done, because Devign is transitioning from web design service providers. The company needs a more sophisticated and "current" firm to develop its ideas. From a conceptual standpoint, the Devign brand's online presence is much more than the website. However, the current web designer with which we work doesn't have the talent to build this out. Social media and blogs have been developed and are ready to be linked with the website, but we are stuck in this limbo. At this juncture, we've identified who can help us with this. It's a costly switch up front (an estimated US \$9,000), but it will be beneficial in the long run as we can be effortlessly maintain the site through a content management solution. Now, anything more than a verbal update, requires getting in line with others at the current service provider and paying a fee that is not reflective of the skill set, particularly when one takes into perspective the gap between what Devign wants (all of which is standard website content, like social media links and RSS feed links) and what can be delivered. This is largely due to the way the site is set up, in very SEO-unfriendly (search engine optimization) tables. Devign has run a cost breakdown of all that has been spent on website devel-

opment in the past 8 years. It is not a small sum, especially when one considers that much of the creative ideas and content have been driven by the Principal with the web designer only executing on those design ideas. That is how we know that the anticipated cost to swap web designers will pay off in the future, at the very least giving Design more control over updates and easy access to constantly update the site, via populating its blog and Facebook page, creating an occasional newsletter of recent client successes and the ubiquitous, if not mandatory, twittering.

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Appendix 1

Name	Company	Address	Post code	City
Jari Taipale	Brandworxx Oy	Korkeavuorenkatu 30 A	00130	Helsinki
Noora Iloranta	Kirnauskis 2.0 Oy	Lönnrothinkatu 3 A	00120	Helsinki
Kai Hakkarainen	Think If Laboratories Oy	Salomonkatu 17 B	00100	Helsinki
Berit Virtanen-Thewlis	Eklekti Finland Oy	Palmrothintie 2	33950	Pirkkala
Marko Haanpää	Printos Oy	Rantakatu 14	65100	Vaasa
Marco Mäkinen	Sek & Grey	Annankatu 28	00100	Helsinki
Salla Halme	Recommended Finland Oy	Töölönkatu 11 A	00100	Helsinki
Andrew Shaw	Pramedia	PL 100	20101	Turku
Jaakko Ojala	OSG OjalaSaariGroup	Kalevankatu 3 A 41-42	00100	Helsinki
Juha Frey	Netprofile Finland Oy	Kasarminkatu 44	00130	Helsinki
Catharina Stackelberg	Marketing Clinic Finland Oy	Merimiehenkatu 36 D	00150	Helsinki
Mikko Reinikka	Mainostoimisto Albert Hall	Kirjatyöntekijäncatu 6	00170	Helsinki
Jarmo Laitinen	Mainoskenttä Group	Rongankatu 4 D	33100	Tampere
Anu Pohjois-Koivisto	Mainoskenttä Oy	Rongankatu 4 D	33100	Tampere
Alpo Räinen	Mailand Communications Oy	Tehtaankatu 27-29 A	00150	Helsinki
Alex Nieminen	N2	Merimiehenkatu 29	00150	Helsinki
Markus Natri	Konsepti Group	Salomonkatu 1	00100	Helsinki
Elina Kivi	Imageneering	Satakunnankatu 18 A	33210	Tampere
Timo Kruskopf	ID BBN	Läntinen Rantakatu 3	20100	Turku
Jussi Liimatainen	Ezpa Oy	Tammasaarenlaituri3 B	00180	Helsinki
Johanna Piisi	Dynamo Advertising Oy	Vuorikatu 15 A	00100	Helsinki
Reijo Markku	Desgin Reform Oy	Töölönkatu 7	00100	Helsinki
Esa Rantanen	Brandit Advertising Oy	Henry Fordin katu 5 F	00150	Helsinki
Jukka Kurttila	Bob Helsinki	Kauppaneuvoksentie 8	00200	Helsinki
J-P Rautamaa	B9 Group Oy	Eerikinkatu 3 B	00100	Helsinki
Pia Kärkkäinen	Avalon	Kalevankatu 31	00100	Helsinki
Heikki Veijola	Adsek 27	Annankatu 27	00100	Helsinki
Tuomo Luoma	Mainostoimisto Rientola	Mikonkatu 15 A	00100	Helsinki

Vastaanottaja

9.11.2009

Meillä on ollut iloa tutustua yritykseenne teidän nettisivujen kautta. Näkemämme perusteella uskomme, että yrityksiemme välillä on synergiaetuja, joista me molemmat voisimme hyötyä.

Devign on brandien ja brandistragioiden luomiseen erikoistunut amerikkalainen markkinointikonsultointiyritys. Devign tuottaa asiakkailleen verbaalista pääomaa, strategista kieltä, jota asiakkaat voivat käyttää kilpailuetunaan. Devign tunnetaan erityisosaamisestaan uusien nimien, nimikkeistöjen ja sloganien luojana. Yrityksemme tuottaa lisäarvoa asiakkaille erityisesti heidän muutosaikoina: perustamisvaiheessa, uusien tuotteiden lanseerausvaiheessa tai yritysten uudelleen organisointivaiheissa.

Omistaja Karen Northilla on laaja kokemus asiakkaiden erilaistuneista merkityksistä ja niiden viestimisestä yli kaikkien brandin kosketuspintojen. Ennen yrityksen perustamista vuonna 2002, hän työskenteli useissa tunnetuissa USA:n länsirannikon branditoimistoissa. Hän on urallaan kehittänyt ainutlaatuisia IPR –omaisuutta ja edelleen kehittänyt asiakkaiden aikaisempia tuotenimiä.

Haluaisimme rakentaa tulevan yhteistyömme tälle kokemukselle, olemalla lisäresurssina tarvittaessa teille ja teidän asiakkailleen. Devign on ainutlaatuisesti asemoitu yhteistyöhön kanssanne, suomalainen kansainvälisen kokemuksen omaava henkilö sekä amerikkalainen nimienluoja. Sopeutuminen ja saumaton yhteistyö mahdollistavat optimaalisen tuloksen.

Olen tuntenut Karenin yli 20 vuoden ajan. Yhteydenpito ja ystävyys ovat kantaneet eri kulttuureista toiseen. Kiinnostus eri kulttuureiden viestintähaasteisiin yhdistää meitä sekä ammatillisesti että yksityisesti. Vahvat kielet ovat suomi, englanti, ruotsi, saksa ja espanja (äidinkieli tai lähes vastaavat tiedot). Osaamiseen kuuluvat lisäksi venäjän, ranskan, japanin, katalaanin, portugalin ja navajon kielten eritasoiset taidot. Nämä ovat arvokkaita etuja kun etsitään tuotemerkillä saatavina olevia, vapaita nimiä tai sloganeita ja kun halutaan välttää mahdolliset viestintään liittyvät karikot yritysten kansainvälistyessä.

Karen tulee Suomeen 4.1.2010 alkavalla viikolla (viikko 1). Haluaisimme tavata teidät ja keskustella kanssanne kuinka yritystemme ydinosaamisalueet voisivat täydentää toinen toisiaan. Olen teihin yhteydessä lähiaikoina. Kiitän etukäteen harkinnastanne.

Ystävällisin terveisin

Mari Vihervuori-Akkanen

Business Development Manager – Europe

puh. 040 8213 353

mari@devign.com

Appendix 2/2

Finnish Agency

November 8, 2009

Attn Mr./Ms.

Dear X

We have had the pleasure of learning about your agency online. From what we've observed, we believe there are non-competing synergies between your organization and ours from which we could mutually benefit.

Devign is a brand strategy consultancy whose primary focus is verbal identity development. As part of a broad range of verbal branding services, naming, nomenclatures and taglines are a specialty. We thus work with clients at times of transition: startup, launching new divisions or products, restructuring, etc. Our firm delivers added value to them in the form of verbal capital...strategic (and often proprietary) language that they use to their competitive advantage.

The principal, Karen North, has extensive experience in carving out a client's differentiated relevance and communicating that across all brand touchpoints. Prior to starting her company in 2002, she worked at several well-known West Coast agencies in the United States. She has a track record of developing one-of-a-kind intellectual property and consulting with clients on their own creations. We would like to build on that success by being a resource for your business on an as-needed basis. Led by an in-country native and a US-based expert, Devign is uniquely positioned to collaborate with you in unmatched responsiveness.

I have known Karen for many years. Since then, we have maintained our friendship and remained engaged in (and/or committed to) resolving communication challenges across cultures, in both professional and personal capacities. Together, our language facilities include varying levels of English, Swedish, German, Spanish, Russian, French, Japanese, Catalan, Portuguese and Navajo. This agility proves invaluable in not only coming up with trademark-available names and taglines but also screening for potential pitfalls as companies increasingly reach for a global audience.

Karen will be in Finland the week of January 4th, during which time we would like to meet with you and begin a dialogue about how our respective core competencies could complement one other. I will call you shortly to follow up. Thank you in advance for your consideration.

Sincerely,

Mari Vihervuori-Akkanen

Business Development Manager – Europe

Tel. 40.8213.353

mari@devign.com

Appendix 3/1

Vastaanottaja

27.1.2010

Toivottavasti Uusi Vuosi on lähtenyt hienosti käyntiin. Karen ja minä olemme pahoillamme, ettemme tavoittaneet teitä hänen ollessaan Suomessa tammikuun alussa. Viittaamme marraskuussa 2009 lähettämäämme tapaamisehdotuskirjeeseen.

Kuten kerroimme aikaisemmin, uskomme, että yrityksiemme välillä on synergiaetuja, joista voisimme molemmat projektiluontoisesti hyötyä. Suomen vierailun aikana käydyissä yritysten välisissä yhteistyökeskusteluissa tuli esille todellinen markkinarako liittyen yritysten, tuotteiden tai palvelujen nimeämiseen. Tämä johtunee suureksi osaksi vähenevästä tuotemerkkien saatavuudesta, yhä vaativammista ja sivistyneemmistä asiakkaista sekä valveutuneista yrityksistä, jotka arvostavat tuotemerkkien ja brandien mukanaan tuomaa vastuuta ja potentiaalia.

Devignilla tiedämme, että verbaalisen identiteetin kehittäminen - erityisesti nimeäminen - kuten muidenkin brandielementtien tuottaminen on usein hyvin vahvasti aikaan rajattu tehtävä. Nimen tulisi olla valmis heti tai mieluiten jo eilen!

Yrityksemme laaja-alainen erityisosaaminen sisältää nimeämisen lisäksi mm. asemointia, sloganien ja lyhyiden mainoslauseiden luomista sekä markkinointiviestintää. On haastavaa luoda nimiä joista asiakas voi valita, jotka ovat vapaita ja saatavilla olevia tuotenimiä ja ennen kaikkea tukevat yrityksen brandiä. Devign osaa tämän.

Tekisimme mielellämme yhteistyötä kanssanne. Pitäkää meidät mielessänne mahdollisten verbaalisten brändihaasteiden esiintyessä tai kysykää lisää Karenilta karen@devign.com (p. +1 404 888 9007) tai minulta.

Ystävällisin terveisin

Mari Vihervuori-Akkanen

Business Development Manager // Europe

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Appendix 3/2

Finnish Agency

January 24, 2010

Attn.: Mr./Ms.

Dear X

We hope your new year is off to a great start. Karen and I are sorry/disappointed that we did not catch/catch up with you while she was here earlier this month. We wanted to follow up on our initial letter to you in late November, since we were unable to meet.

As mentioned then, we believed there were non-competing synergies between your organization and ours from which we could mutually benefit on an as-needed basis. Further research and networking have been very productive and generally confirming. In particular, per the conversations Karen and I had while she was here, we sense a real market need to step up the standards and expectations of naming or renaming a company, its products or services...not only in Finland but across the Nordic and Baltic regions. This is in large part due to an increasingly crowded trademark space, the evermore sophisticated and demanding business *and* individual customer and the greater appreciation by corporations and entrepreneurs alike of the value of and responsibilities that intellectual property entails.

Devign realizes that verbal identity development, especially naming, is a time-sensitive niche. The nature of this specialty is that the name, more than any other brand element, does not become mission-critical until one is up against a hard deadline (or several), by which date(s) one must have something tangible/ownable in hand. If not yesterday!

While our firm offers a broad range of verbal branding services in addition to naming (positioning, taglines, elevator stories and marketing messages are other areas of expertise), the importance that a name holds with respect to the overall brand and brand direction cannot be underestimated. Yes, it's difficult to create relevant names that give a client options, trademark viability and ultimately, a loyal following. Devign takes this on with gusto, and we deliver accordingly.

We'd be happy to collaborate with you whenever the opportunity arises. Please keep us in mind for your client's verbal branding challenges. Should you have any questions in the meantime, feel free to contact me or Karen at karen@devign.com or +1.404.888.9007 in the US.

Sincerely,

Mari Vihervuori-Akkanen

Business Development Manager // Europe

Tel. 040.8213.353